

CONTINUING CHALLENGES FACING
GUAM'S ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Guam (Mr. UNDERWOOD) is recognized for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, as we consider unfinished legislative business for the 107th Congress, I want to take this opportunity to talk about the continuing challenges facing Guam's economy as well as the economies of other insular areas of the United States.

Over the past year, the entire country has faced unprecedented economic challenges in the aftermath of September 11 as well as security challenges, and we have responded here in Congress by the consideration of legislation to establish a Department of Homeland Security and have taken steps to restore the peace in the Middle East and to make our security stronger in the Middle East and around the world.

Against this backdrop, many of the economic relief measures that were passed by Congress did not address the economic conditions of Guam and the other insular areas for a wide number of reasons regarding the exact nature of the relationship.

Fortunately for Guam, legislation was eventually signed into law by President Bush on August 21, the Guam Foreign Investment Equity Act, to provide for equitable rates for foreign investors in Guam and level the playing field.

Most recently, the Committee on Resources on September 12 also marked up H.R. 2826, legislation to provide relief to U.S. Territories by increasing the matching waiver requirements for Federal grants for the territorial governments in Guam, the Virgin Islands, American Samoa and the Commonwealth of the Northern Marianas. I hope that the House will be able to act on this measure in the near future.

With regard to actions by the executive branch, I am pleased that President Bush announced the appointment of David Cohen to be Deputy Assistant Secretary for Insular Affairs in late April. This appointment was an elevation from the position formerly entitled Director of the Office of Insular Affairs; and it was greatly appreciated by people in the territories, particularly given Mr. Cohen's qualifications and knowledge of insular issues.

Today I would like to again reiterate my call for the establishment of a Federal interagency group headed by the White House and Department of the Interior to address issues in the U.S. Territories of Guam, the Virgin Islands, the Northern Marianas, and American Samoa; and I am hopeful that President Bush will do so by Presidential executive order.

As a follow-up to my previous concerns on Federal insular affairs, I believe it is equally important to ensure that there is greater coordination amongst Federal agencies on insular

area issues. The elevation of the OIA director to the Deputy Assistant Secretary position and the establishment of a Federal interagency group on insular areas are both necessary to improve Federal territorial relations and to have a chance to improve our economies as well.

Unlike the 50 States, any of the 50 States, the insular areas simply do not have the same representation, available resources, or level playing field in Congress or the Federal policy-making process. In addition, our small populations, geographical distance from Washington, D.C., and our varying political and tax structures create even greater challenges and complexities.

While the Interior Department is the lead agency for the territories, many of the pressing matters facing our island communities do not fall under that Department's jurisdiction. Such things as taxes, economic development, health, education, labor, immigration, agriculture, the environment, transportation, housing and defense all fall under other agencies. As a result, the insular area governments, many of which are experiencing budgetary shortfalls and double-digit unemployment rates, have a difficult time having issues addressed by the executive branch in an effective and timely manner.

Previously, under the previous Clinton administration, an Interagency Group on Insular Areas was established by Presidential memorandum in 1999 to provide guidance to Federal agencies on policies concerning the insular areas. Although a forum was held in the year 2000 and an attempt was made to produce a Federal progress report on economic development, there has been no continuation in the dialogue between the insular areas and the interagency group. Consequently, there has been very little coordination of the executive response. During these very difficult economic times, it is more important that there be a forum in which the insular areas can work with all of the Federal agencies in a collaborative matter.

It is important to understand that in a place like Guam we are experiencing double-digit unemployment. In fact, some figures place us as high as 21 percent unemployment. We are suffering from the effects of September 11. We need the administration to establish via Presidential executive order an interagency group to address economic issues, homeland security issues, anything that affects the territories.

COMMUNICATION FROM DISTRICT
DIRECTOR OF HON. BRIAN
BAIRD, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Jeanne Bennett, District Director of the Honorable Brian Baird, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, September 10, 2002.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a deposition subpoena issued by the Superior Court of Washington for Cowlitz County in a civil case pending there.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to comply with the subpoena.

Sincerely,

JEANNE BENNETT,
District Director.

CONFERENCE REPORT ON H.R. 1646

Mr. HYDE submitted the following conference report and statement on the bill (H.R. 1646), to authorize appropriations for the Department of State for fiscal years 2002 and 2003, and for other purposes:

CONFERENCE REPORT (H. REPT. 107-671)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1646), to authorize appropriations for the Department of State for fiscal years 2002 and 2003, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment to the text and an amendment to the title as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Foreign Relations Authorization Act, Fiscal Year 2003".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) *DIVISIONS.—This Act is organized into two divisions as follows:*

(1) *DIVISION A.—Department of State Authorization Act, Fiscal Year 2003.*

(2) *DIVISION B.—Security Assistance Act of 2002.*

(b) *TABLE OF CONTENTS.—The table of contents for this Act is as follows:*

Sec. 1. Short title.

Sec. 2. Organization of Act into divisions; table of contents.

Sec. 3. Definitions.

DIVISION A—DEPARTMENT OF STATE AUTHORIZATION ACT, FISCAL YEAR 2003

Sec. 101. Short title.

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

Subtitle A—Department of State

Sec. 111. Administration of foreign affairs.

Sec. 112. United States educational, cultural, and public diplomacy programs.

Sec. 113. Contributions to international organizations.

Sec. 114. International Commissions.

Sec. 115. Migration and refugee assistance.

Sec. 116. Grants to The Asia Foundation.

Subtitle B—United States International Broadcasting Activities

Sec. 121. Authorizations of appropriations.

TITLE II—DEPARTMENT OF STATE AUTHORITIES AND ACTIVITIES

Subtitle A—Basic Authorities and Activities

Sec. 201. Emergency evacuation services.