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House of Representatives

The House met at 10 a.m.

The Reverend Michael Dolan, Pastor, Immaculate Heart of Mary Parish, Lexington Park, Maryland, offered the following prayer:

Almighty God, give us light and strength to know Your will, to make it our own, and to live it in our lives.

Guide us by Your wisdom, support us by Your power, for You are God.

You desire justice for all: Enable us to uphold the rights of others; do not allow us to be misled by ignorance or corrupted by fear or favor.

Unite us to Yourself in the bond of love, and keep us faithful to all that is true.

As we gather in Your name, may we temper justice with love, so that all Your decisions may be pleasing to You and earn the rewards promised to good and faithful servants. Therefore, teach us to be generous, to serve You as You deserve, to give and not to count the cost, to fight and not to heed the wounds, to toil and ask for no reward except that of knowing that we are doing Your holy will. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas (Mr. GREEN) come forward and lead the House in the Pledge of Allegiance.

Mr. GREEN of Texas led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Under clause 2 of rule I, it is the responsibility of the Speaker to preserve order and decorum in the proceedings of the House. As stated on page 330 of the House Rules and Manual, this responsibility requires that the Chair disallow the use of an exhibit that tends to degrade decorum. Thus, the Speakers previously have disallowed the introduction of a person on the floor as a guest of the House as an ''exhibit.''

Pursuant to clause 2 of rule I, the Chair reiterates the ruling of June 11, 2003, that it is inappropriate to use Pages of the House as part of a visual exhibit during debate. Although Members may enlist the assistance of Pages to manage the placement of exhibits on easels, it is not appropriate to use Pages as though part of an exhibit or otherwise include them in an exhibition.

The Chair also will continue to scrutinize the number of charts and other visual exhibits used simultaneously during the debate for any tendency to impair decorum.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain five 1-minute speeches on each side.

FREE DR. OSCAR BISCET

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, on March 18 the Cuban Government began a massive crackdown on the best, the brightest, and the most courageous in Cuba. Some 75 journalists and human rights activists were arrested and subjected to kangaroo trials and now have gotten prison terms from 6 to 28 years.

Last week Amnesty International called it the most severe crackdown on dissents since the year following the Cuban revolution.

Sadly, these brave Cubans join 400 other political prisoners who are languishing in Castro's gulags. Their only crime is their love of freedom.

Among those unjustly imprisoned, is Dr. Oscar Biscet, a pro-life Afro-Cuban who has been a leader in the human rights movement for years. Although he was recently released, Mr. Speaker, from a 3-year term, he was rearrested, and now has been sentenced to 25 years in prison for organizing a human rights meeting.

His wife, Elsa Morejon, reports that Dr. Biscet is kept in a 6 by 3 punishment cell. They have been refused any visits and any kind of parcels of food or medicines. On May 28 Dr. Biscet wrote, ''I am innocent of the charges of which I have been condemned. A true man cannot betray himself, so I only appeal to the living God and pray to our Lord, as He is not neutral and never abandons his flock.''

According to his wife, Dr. Biscet's only crime is trying to observe and uphold the universal declaration on

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human rights, his opposition to abortion, his opposition to the death penalty, and for organizing civil rights movement through nonviolent civil disobedience.

We join this man and his wife and all of those who are suffering. We have got to speak out and not give up until they are free.

MISUSE OF FEDERAL POWER

(Mr. GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, we have so much to be proud of in our country: our young people serving in the military, protecting our Nation, our law enforcement working long hours to make us safe. We can even celebrate last night the Houston Astros winning a no-hitter against the New York Yankees with six pitchers.

What we cannot be proud of and what bothers many Americans is we have had three different congressional committee members ask the Department of Homeland Security, the Department of Justice, and the FBI to release all the information and audiotapes concerning the use of our Federal law enforcement to track Texas legislators. This sounds like an abuse of authority, and it smells.

Our law enforcement should not be used for partisan political purposes. Release these tapes and let the American people decide who is wasting our law enforcement's time, when they should be protecting our Nation, looking for Texas legislators.

FREE MARTA BEATRIZ ROQUE

(Mr. LINCOLN DIAZ-BALART of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, today we speak of a heroine, an extraordinary woman and leader who languishes in Castro's gulag, Marta Beatriz Roque, sentenced to 25 years for speaking her mind on behalf of freedom and democracy.

To those who wish to send billions of dollars to the dictatorship in Cuba by sending U.S. tourists to savor tropical drinks in the tourism apartheid resorts and take advantage of the regime-encouraged child prostitution, I think it is worthwhile to listen to Marta Beatriz, one of the last statements before she was picked up and sent to a gulag for 25 years.

We exhort all the governments of the civilized world not to prolong the agony of the Cuban people, not to finance the tyranny, not to support the tyranny; that they condemn the tourism apartheid, that they condemn the exploitation of laborers, the prostitution of our youth, the traffic of stolen property, the plunder of the Cuban nation. Solidarity is required today with those who advocated freedom in Cuba and those who also advocated freedom in exile.

Marta Beatriz Roque and all of the Cuban political prisoners, we do not forget you for one day. We will continue to fight until you are free and until all Cubans are free.

GROWING BUDGET DEFICIT

(Ms. LORETTA SANCHEZ of California asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I rise today to voice my anger, my anger over the Bush administration's willingness to plunge our economy further into debt.

The Congressional Budget Office had projected that this year's shortfall to the budget would be $300 billion. But recently they came back and they now tell us it is going to be over $400 billion.

This year's budget deficit will be the biggest one since 1992 and it will be the second consecutive one under this President after we had 4 years of surplus by President Clinton's administration.

Instead of enacting fiscally responsible legislation, this administration continues to do further tax cuts for the wealthy. Former President Clinton recently said, When you find yourself in a hole, a practical person stops digging. But this Bush administration, it is asking for a bigger shovel.

Mr. Speaker, it is time to stop digging. Fiscal responsibility needs to be the rule and not the exception to the rule.

□ 1015

WESTERN SAHARA

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, I am deeply concerned that the negotiations over the Western Sahara for the past decade have all been for nothing.

Former Moroccan Minister of Interior Driss Basri recently said, ''The Houston agreement did not come as a way to find a solution to the issue of Sahara. It came as a starting point of an American plan . . . and it will preserve the American interests,'' and as U.N. diplomat Marrack Goulding wrote, ''for enhanced autonomy for Western Sahara within the kingdom of Morocco.''

I find it deplorable and offensive that various officials of Morocco, the U.N., and the U.S. engaged in what amounted to a farce. They spent over $530 million and negotiated an agreement to hold a referendum for the people of Western Sahara without ever intending to hold that referendum.

Mr. Speaker, this is not a game. The people of Western Sahara agreed to a ceasefire on the basis that all parties would uphold the negotiated agreement of a free, fair, and transparent referendum for self-determination. The people of Western Sahara have no desire to suffer under the colonial rule of the kingdom of Morocco; and so the United States, the U.N., and Morocco should stop the game-playing and implement the referendum.

TAKE UP THE SENATE-PASSED CHILD TAX CREDIT

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Mr. Speaker, it has been nearly 2 weeks since the embarrassing revelations that the $350 billion Republican tax cut left behind 6.5 million working families with incomes of $10,000 to $27,000 a year. Not a penny to them and their 12 million children. They were stiffed to make room for more millionaire tax cuts.

Last week, the Senate rushed to fix this. The President has endorsed what the Senate did; and if the Republican leaders here in the House really cared about these families and their kids, they would take up, pass the Senate bill today, send it down to the President tonight, get him to sign it; and they could get refund checks next month along with other families. But, no, that is not what they are going to do.

They are going to turn these families into second-class citizens. If this bill passes today, they can file for the money next year. A lot of working families with parents in combat will be excluded under this bill. They will be left out altogether, but it really does one thing that they really want to do. It assures this bill will not become law because they really do not care about those 6.5 million families and their 12 million kids. They are low-income people. They do not care.

CALL FOR RESPONSIBLE FATHERHOOD

(Mr. RYUN of Kansas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RYUN of Kansas. Mr. Speaker, as we approach Father's Day, I rise to emphasize the importance of the father in a child's life. A father's presence at home contributes to a child's success in school. It also encourages a child to abstain from drugs and remain crime-free. Until we recognize these facts, we will struggle to defeat many of society's problems.

We provide funding to alleviate problems that are caused by absent fathers, but what we really need are fathers who are physically, emotionally, and spiritually present in their child's life.

I hope that this Father's Day will not just be a day for children to honor their fathers, but also a day for fathers to honor their children by investing in their lives.

Rather than writing legislation, I am calling on my fellow fathers in Congress to lead by example. Doing so will leave a powerful and lasting legacy. It is my prayer that our actions will set a standard for fathers across America and awaken the hearts of many to the necessity and the responsibility of fatherhood.

NOTICE OF DISCHARGE PETITION ON CONCURRENT RECEIPTS

(Mr. MARSHALL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARSHALL. Mr. Speaker, today I will sign a discharge petition that I bring to right a wrong that has been done to disabled American veterans for more than a century.

In 1891, the United States of America imposed a tax on disabled veterans. We did not call it a tax. We called it a prohibition on concurrent receipts, something average Americans would not understand. Mr. Speaker, it is time to call the concurrent receipt prohibition what it is, the disabled veterans tax. It was wrong then; it is wrong now. It is time to end the disabled veterans tax.

Mr. Speaker, for years the majority and the Members of this House have cosponsored House Resolution 303, which would end the disabled veterans tax; and for years, House Resolution 303 has been bottled up in committee just like campaign reform was bottled up in committee. The discharge petition process forced a vote on campaign finance reform. I am using that same process to force a vote on ending the disabled veterans tax.

Mr. Speaker, at last count, 322 Members of this Congress have cosponsored House Resolution 303. Only 218 of these cosponsors must sign the discharge petition for it to be successful.

ALL-AMERICAN TAX RELIEF ACT OF 2003

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, last month this Congress, with the President's leadership, undertook to pass a tax relief measure that would get this economy moving again. Today, we will continue that good work with the All-American Tax Relief Act of 2003.

While some come to this floor, as we even heard this morning, and suggest that Republicans do not care about children, about 6.5 million families and 12 million children that they say were left out of the refundable per child tax credit, the truth is, Mr. Speaker, as we all know, it was Republican leadership that saw to it that that tax cut was already in place, set to take effect in 2005; but we will accelerate that today.

We will also encourage marriage by eliminating the marriage penalty. In the tax credit we will assist veterans and the heroes in space, we will do justice, we will love kids, and we will provide the compassionate Republican leadership that is so characteristic of this institution when we adopt the All-American Tax Relief Act today.

IT IS TIME TO STOP PENALIZING DISABLED MILITARY RETIREES

(Mr. EDWARDS asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS. Mr. Speaker, it is time to stop penalizing disabled military retirees for having served our country for 20 or 30 years. It is time to stop the disabled veterans tax that reduces military retirees' benefits when the Veterans Administration determines that they are disabled.

This issue is known by veterans as the concurrent receipt problem. I know it as the concurrent deceit problem.

Today, through the strong leadership of the gentleman from Georgia (Mr. MARSHALL), the 300-plus House Members who have year after year cosponsored the Bilirakis bill to deal with concurrent receipt for military retirees can actually do something about passing that bill, rather than just taking credit for cosponsoring it as they speak at home to their veteran service groups.

It is time to be honest with America's veterans. It is time to stop the hypocrisy of year after year having a majority of the House cosponsor this bill and we never have a hearing, never have a vote on it.

If cosponsors will sign the gentleman from Georgia's (Mr. MARSHALL) petition today, we can have a vote on this bill before the 4th of July. Let us pass the Marshall discharge petition.

APPOINTMENT OF MEMBER TO BOARD OF TRUSTEES OF HARRY S TRUMAN SCHOLARSHIP FOUNDATION

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to 20 U.S.C. 2004(b), and the order of the House of January 8, 2003, the Chair announces the Speaker's appointment of the following Member of the House to the Board of Trustees of the Harry S. Truman Scholarship Foundation:

Mr. AKIN, Missouri.

PERMISSION FOR COMMITTEE ON INTERNATIONAL RELATIONS TO FILE SUPPLEMENTAL REPORT ON H.R. 1950, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 2004 AND 2005

Mr. PENCE. Mr. Speaker, I ask unanimous consent to file a supplemental report from the Committee on International Relations to accompany the bill H.R. 1950, the Foreign Relations Authorization Act, Fiscal Years 2004 and 2005.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 1115, CLASS ACTION FAIRNESS ACT OF 2003

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 269 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 269

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1115) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the

gentleman from Texas (Mr. FROST), the ranking member of our committee, pending which I yield myself such time as I may consume. During consideration of the resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, H. Res. 269 is a structured rule providing for the consideration of H.R. 1115, the Class Action Fairness Act of 2003.

The rule provides 1 hour of general debate equally divided and controlled between the chairman and ranking minority member of the Committee on the Judiciary. It provides that the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill be considered as an original bill for the purpose of amendment.

The rule makes in order only those amendments printed in the Committee on Rules report accompanying the resolution. Each amendment may be offered only in the order printed, may be offered only by a Member designated in the report, shall be debatable for the time specified equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment or demand for a division of the question.

The rule waives all points of order against consideration of the amendment in the nature of a substitute now printed in the bill and waives all points of order against such amendment.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, I would like to point out to my colleagues that while this is a structured rule, it is a balanced rule. This rule makes in order four amendments, three Democrat amendments and one bipartisan amendment. In fact, only eight amendments were originally submitted to the Committee on Rules, and two of those amendments were withdrawn from consideration. In a world often frequented with sports analogies, we would say that four for six is pretty good at the plate.

Mr. Speaker, the history of our judicial process was purposely and deliberately constructed by our forefathers to be a system that employs fairness and balance in the rendering of justice. One of the many tools of this judicial system is the class action lawsuit. In its ideal form, the class action suit is meant to give many individuals who hold the same claim of wrongdoing against the same defendant an efficient and effective way to have their grievances heard as a unified voice. Essentially, it acts as a pedestal and a megaphone using the collective nature of the many to increase the profile and the potency of the group's accusations of injustice.

As used by public interest organizations and truly injured groups of individuals, class action lawsuits have proven effective in restoring justice and righting wrongs. By correcting egregious negligence, curbing dangerous misconduct, or even convincing people in organizations to merely abide by the law, class action suits are an integral part of the American system of justice.

However, and very sadly, these suits are also one of the most grossly abused parts of the American system of justice.

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We have seen a deluge of frivolous lawsuits designed to coerce quick and often unwarranted settlements only to enrich a few. This abuse of the system stunts economic growth and job creation, and it clogs the courtroom and our system, making it more difficult to receive justice in valid lawsuits. In fact, class action filings in State courts have increased 1,000 percent in just 10 years; 1,000 percent in just 10 years. Somebody is catching onto something around here.

One wonders how effective local courts and judges can even start to get through their workload when it is increasing so rapidly. Perhaps worst of all is the abusive way in which class action suits enrich a small group of trial attorneys and a very small fraction of plaintiffs while leaving most of the rest of the entire class with little or next to nothing.

In one instance, and there are thousands and thousands of these types of stories, but in one instance a State court approved a class action settlement in a case brought by account holders against a bank. The result, the plaintiffs' attorneys received over $8 million in fees and the 700,000 members of the class only received $10 each. Eight million dollars to the trial lawyers, $10 to the plaintiffs. In addition, each class member was stuck holding the remainder of the bank's legal bills, approximately $100 each. These class members had to pay the bank's liabilities, a net loss at the end of the day of $90. How thick the irony, and we want people to respect our system of justice when they see this type of result? This may seem extreme, but it is becoming the norm very, very rapidly.

My colleagues on the other side of the aisle will dispute these facts. They will allege that the system is fine as it is, and that by passing this plan and working to restore justice to our system, we are robbing consumers of their legal rights. Let me be clear, no one is eliminating or diminishing anybody's rights to sue. No one is taking a wrecking ball to the court system that our forefathers so carefully established, and no one is ignoring legitimate claims of negligence or advocating bad guys being left off the hook. We are not doing that.

This bill simply curbs the abuse of class action suits. It curbs the abuses while preserving the rights of the truly injured to bring meritorious claims to court. In addition, this plan would remove large interstate class action lawsuits to Federal court where appropriate. This provision would enable more efficient and effective consolidation of claims. It would also provide greater uniformity in consideration of these cases by requiring the decisions that affect individuals from all across the country be decided by courts that represent the Nation as a whole and not just one State which might have a particular bias for particular parties.

As this plan cracks down on the abuses of class action suits, it also protects the legal rights of individuals through a consumer class action bill of rights. This bill of rights requires that the notices sent to class members be simple and intelligible, ensures that victorious plaintiffs do not suffer a net loss because the attorneys took all of the money, it prevents geographic discrimination against certain class members, and it prohibits disproportionate awards from going to some class members at the expense of others.

The bottom line is that this plan provides greater judicial scrutiny to make our court system more efficient and effective, while restoring fairness to ensure that truly wronged victims receive their fair share of settlements.

Mr. Speaker, as a former judge, I have to say, our court system and the judges and attorneys that serve within it serve nobly by administering and executing true justice when they can. But it is the job of this Congress to make sure that our judicial system is not misused or abused to the point where it cannot perform its very purpose, or it provides the very opposite of justice.

The Class Action Fairness Act creates important reforms that will reduce lawsuit abuse and protect individuals. It is as simple as that. I urge support for this legislation and for the fair and balanced rule before us.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

(Mr. FROST asked and was given permission to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, this can be a complicated legal issue, but at its core, this bill that Republicans have given such a misleading name, the Class Action Fairness Act, is very simple. Here is what it does. It protects big corporate wrongdoers like Enron and WorldCom against individuals that they harm. It makes it easier for fraudulent and unethical corporations and their executives to escape accountability for their actions.

That may not be what some of its supporters intend, but that is exactly what this bill would do, and it is exactly the type of thing the Republican House has been doing for the past 8½ years, turning the American people's government over to a small, elite group of the wealthiest and most powerful. We have seen it for the past week as House Republicans have tried to block tax relief for working and military families who need it the most. They gave millionaires tax breaks totaling $93,000, but they called it welfare when

Democrats tried to give $150 in tax relief to the military families who need it most to feed and clothe their children.

We are seeing it again here today on this class action bill. Believe it or not, the latest version of the Republican bill is even worse for consumers than the versions they have offered in the past two Congresses. That is because this one does not just protect future corporate wrongdoers, it acts retroactively to pull the rug out from under the victims of some of the worst corporate scandals in recent memory. If Members do not think that was intentional, just take a look at the rule the Republican leadership has written for this bill.

In the past two Congresses, the House has been allowed to vote on every amendment offered by a Member. In fact, let me read from the CONGRESSIONAL RECORD from a year ago when my friend the gentlewoman from Ohio (Ms. PRYCE) who is handling the rule today was handling the rule at that time.

''I would like to take a moment to clarify for my colleagues that while this is a structured rule, our committee, the Committee on Rules, did make in order every amendment submitted to us on this legislation. The rule simply incorporates some time confines equally applied to all of the amendments in order to provide some level of certainty and order during consideration of the legislation in the House.''

In other words, last year and, in fact, the year before, the Republican majority made in order every amendment that was submitted to the committee. Now, this year they have neglected to make in order two amendments. Which two did they not make in order? The one dealing with retroactivity; that is, one cannot sue somebody for what they did a couple of years ago and suits are already on file, those suits will suddenly go away. Who are we talking about? We are talking about wrongdoers at Enron and WorldCom and other places. But they will not make that amendment in order. That, of course, is the amendment offered by the ranking member of the Committee on the Judiciary, the gentleman from Michigan (Mr. CONYERS), and the gentleman from Massachusetts (Mr. DELAHUNT).

What is the other amendment that they will not make in order this time? That deals with unnecessarily delaying lawsuits by interlocutory appeals and freezing everything in place. What is wrong with that? Well, because as it is written, this class action bill would give Enron the power to unilaterally freeze the case that defrauded retirees in Texas have filed against it. Many of these people have lost their life savings in a massive corporate fraud. Their case has already been delayed more than a year and a half, a delay that allowed Arthur Andersen to shred important documents; and now this bill would give Enron the power to unilaterally delay the case for many more years.

Just to be clear, last year, and 2 years ago, Republicans let all of the amendments be made in order. This year, they cannot do that; no amendment on the question of retroactivity and no amendment on the question of freezing lawsuits pending appeals.

That is not just wrong, it is indefensible, because it is simply welfare for some of the worst corporate wrongdoers, companies like WorldCom, Arthur Andersen, and Enron. But the Republican leadership has used this power to protect corporate criminals, killing the Conyers-Delahunt amendment on retroactivity last night in the Committee on Rules so they would not have to debate it in the light of day on the House floor.

Mr. Speaker, there are other major problems with the Republican bill. Its operating principle is: Justice delayed is justice denied. State and Federal judiciaries, including the Chief Justice of the Supreme Court, William Rehnquist, oppose it. And because the Federal courts are already overburdened, consumers will have to wait for years for their claims to be heard. In the meantime, big corporate wrongdoers like WorldCom and Enron will have new procedural tactics to run up the bills and run out the clock on the consumers they have injured.

At the same time, the so-called consumer protection provisions of the bill are a cynical sham. They do not provide any new protections for consumers, they just codify the ones that already exist, and they do not come close to making up for the fundamental lack on consumer rights that the entire bill represents.

I am sure the Republicans will come to the floor to complain about the so-called coupon settlements which are no more common in State courts than they are in Federal courts that Republicans favor. No matter how many times Republicans talk about this problem, their bill does not do anything about it. Only the Democratic alternative increases consumer protections against coupon settlements.

The truth is the Democratic alternative offered by the gentleman from Michigan (Mr. CONYERS) and the gentleman from Texas (Mr. SANDLIN) is the only sensible and workable class action reform on the House floor today. It will help consumers hold corporations accountable for their actions, and it will help courts manage large class action litigation. It tightens the rules on lawyers' fees and coupon settlements. It protects consumers against unfair settlements and enacts other consumer-friendly revisions that have been recommended by the Judicial Conference of the United States. And to protect the rights of out-of-State defendants, it establishes a State level multidistrict litigation panel, like those operating on the Federal level, to manage large class action suits filed in multiple jurisdictions.

So I urge my colleagues to support the Democratic alternative. But first I urge my Republican friends to stand up to the Republican leadership and oppose the previous question. If we defeat the previous question, then the House can consider the Conyers-Delahunt amendment to strike the retroactive provisions of this bill, and it also can consider another very important amendment on the provisions that permit lawsuits to be frozen in place. This is the only way we can block welfare for corporate wrongdoers like Enron and WorldCom.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to set the record straight. Many of the objections that the gentleman from Texas (Mr. FROST) just iterated about the Committee on Rules being unfair about are contained in the Democratic substitute which was allowed by our committee. Retroactivity is specifically addressed there, so there is a chance to debate and vote on that. And it will be a lively debate, I am sure.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the chairman of the Committee on Rules.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I thank the gentlewoman from Columbus, Ohio (Ms. PRYCE), my good friend and able colleague, and I thank her for her fine leadership on this and other issues.

Obviously our goal here is very simple. We want to empower individuals rather than the lawyers. That is what this comes down to. There is bipartisan interest in doing that, based on a number of amendments which have been proposed. And I would argue, Mr. Speaker, that we have a very fair and balanced process around which we are going to be debating this issue.

We have heard this juxtaposition between the consideration of this measure in the 107th Congress and what we are doing today. In the 107th Congress, we had a rule just like this one. It was a structured rule. We also have a structured rule in this measure. We had 8 amendments that were filed, 6 Democratic amendments, a bipartisan amendment and a Republican amendment. Two amendments were subsequently withdrawn. We made 4 amendments in order. Three of those 4 amendments have been offered by Democrats, including something they did not offer in the 107th Congress, and that is a Democratic substitute. We make a Democratic substitute in order.

In the last Congress, the gentleman from Texas (Mr. FROST) talked about the number of amendments made in order. Well, of the amendments made in order, 55 percent of them in the last Congress were Democratic amendments, and in this Congress, it is 75

percent. Three of the 4 amendments made in order have been offered by Democrats. That is why when we hear this issue of fairness continually raised, I argue that this is a very fair, a very balanced rule, that will allow us to take on one of the very, very important issues of the rights of individuals under this system of justice that we have.

□ 1045

I congratulate the members of the Committee on the Judiciary who have worked long and hard on this. We continue to try and bring this back, and we hope very much we will be able to bring about a resolution in behalf of the American people.

Mr. FROST. Mr. Speaker, I yield myself 1 minute.

Of course, I just heard the comments by my friend, the chairman of the Committee on Rules; and my only point was in the last Congress, both times this came up, the last Congress and the Congress preceding, all amendments that were filed we permitted to be made in order. This time the majority has cherry-picked and said, well, we will have these couple of amendments made in order, but the ones that are really important, we are not going to let those be made in order.

Also, I would like to read from the hometown newspaper of my good friend, the gentlewoman from Ohio, who is managing the bill. This is an editorial that appeared in the Columbus Dispatch May 8, 2003: ''Courts have the power to police such abuses, and proponents of the bill have not shown that abuses are widespread or that the courts have failed such that the Congress needs to step in. If there are problems that require a legislative solution, the solution should be one that is carefully tailored, not the blunt instrument of this bill.''

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. MCGOVERN), a member of the Committee on Rules.

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the Committee on Rules works in mysterious ways. As the newest member of the committee, I continue to be fascinated by the twists and contortions in the process. I have seen some crazy things: entire bills rewritten behind closed doors; Members of this House shut out of the process, and debate stifled. But last night takes the cake. Last night the Republicans in charge of the committee denied two of the six amendments that were filed. My good friend and colleague, the gentleman from Massachusetts (Mr. DELAHUNT), sponsored both of the denied amendments. He took time out of his busy schedule to testify before the Committee on Rules in support of his amendments, but the chairman and the other committee Republicans decided that the Delahunt amendments would not be considered by the House.

Now, I am sure that they had their reasons. After all, one of the Delahunt amendments would repeal the retroactive provision of the bill. In other words, the lawsuits filed by the former workers at Enron against Ken Lay after he destroyed their life savings would be delayed for years without the Delahunt amendments. And just in case all of the tax cuts for Ken Lay and his rich friends were not enough, now the Republicans are protecting him from facing his former employees in court.

Now, when we saw the rule in committee and I saw that the Delahunt amendments were not made in order, I assumed the chairman had a good reason, so I asked him why he denied these two amendments; and the chairman of the Committee on Rules, whom I have great respect for, replied that he denied these amendments ''because that is what they decided.'' I was even more surprised to hear another Republican on the committee declare that ''these amendments were denied because he wanted them denied.''

Now, the irony is almost overwhelming. Every day we hear the Republican leadership whine and complain about the other body, about how a single Senator can shut down the whole process, about how so-called ''holds'' and filibusters are threatening the very foundation of our democracy. I want my colleagues and the American people to know that there are holds right here in the House of Representatives. Apparently, a single member of the Committee on Rules, on a thoughtless whim, has the power to shut down debate on a critical issue.

Mr. Speaker, these amendments were thoughtfully and carefully drafted. They addressed real problems with the legislation. But shockingly, we were not even given the courtesy of a genuine response to our questions. Real questions about real public policy issues were simply waved away like nuisances. We were essentially told that what happens in the Committee on Rules and in this House really is none of our business.

Now, we have debated, as the gentleman from Texas (Mr. FROST) has said, the issue of class action reform twice before, both times under an open process with relevant amendments made in order by the Committee on Rules, but not anymore. The Republicans are setting a very dangerous precedent, Mr. Speaker; and people deserve to know what is happening behind closed doors in the people's House.

The leadership of this House has become so arrogant, they believe they can stifle debate without any accountability. This body, the greatest deliberative body in the world, and the constituents we represent deserve much, much better.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield 3 minutes to my good friend and very distinguished colleague, the gentleman from Georgia (Mr. LINDER), a member of the Committee on Rules.

Mr. LINDER. Mr. Speaker, I thank my friend and colleague of the Committee on Rules, the gentlewoman from Ohio (Ms. PRYCE), for yielding me this time.

I rise in support of House Resolution 269 and urge the House to approve this rule so that we can move on to consideration of the underlying legislation, H.R. 1115, the Class Action Fairness Act of 2003.

This structured rules makes in order a total of four amendments. In fact, three of those amendments are sponsored by Democrats. The other amendment has bipartisan sponsorship. Thus this rule will allow the House to work its will on the key issues that these amendments raise, and H. Res. 269 should receive bipartisan support for doing so.

The editorial staff for The Washington Post once wrote that ''no portion of the American civil justice system is more of a mess than the world of class actions. None is in more desperate need of policymakers' attention.'' I agree.

Class action litigation is one of America's most embarrassing judicial practices, pitting settlement-hungry lawyers against unsuspecting consumers seeking redress for their grievances. I know that all of the Members of this House are very familiar with some of the outrageous class action settlements that have become depressingly common in States all across the Nation.

In these instances, skillful trial lawyers earn million-dollar fees for filing meritless class action lawsuits which are frequently settled rather than litigated in court. When this happens, trial lawyers are the primary beneficiaries, and the individuals with the class action lawsuits receive very modest financial payments or even, in some cases, just coupons toward future purchases. Surely we can do better than that for the American people.

Mr. Speaker, H.R. 1115 contains a number of commonsense reforms all designed to curb these abusive lawsuits, while still ensuring that legitimate lawsuits can move through the court system.

The fact that this class action reform was crafted in a bipartisan fashion is a credit to its authors, the gentlemen from Virginia (Mr. GOODLATTE) and (Mr. BOUCHER). I support their responsible collection of legal reforms, and I hope legislation of this nature can be enacted during this Congress.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. SCOTT), a member of the Committee on the Judiciary.

Mr. SCOTT of Virginia. Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

I rise in opposition to the rule and the bill, H.R. 1115, the so-called Class Action Fairness Act. This is an unfair bill that does nothing to resolve disputes. Moreover, the bill has a number of significant problems.

First, the bill will disrupt ongoing litigation because it applies to pending class actions. Some of those class actions that would be affected would be those cases against Enron, WorldCom, and Arthur Andersen for financial fraud; other major cases involving environmental damage or employment discrimination; and several drug companies involving problems with their pharmaceuticals. It is fundamentally unfair for Congress to change the rules for consumers midstream by including these pending cases and, therefore, making it more difficult to resolve disputes in a timely manner.

This bill is overly broad. It defines class actions not only to include class actions, but also State actions brought on behalf of the general public by State attorneys general. These cases are important consumer protection tools in some States, particularly California; and all of these cases would be considered class actions and subject to the provisions of the bill, even though they were not filed as class actions and even though they were brought by the State attorney general under State law.

Mr. Speaker, by shifting class actions to Federal court, H.R. 1115 will overload the Federal judiciary and increase delays. Criminal cases are always given priority in Federal courts; and because the courts are already overloaded with criminal cases, including many traditionally State cases that have been transferred to Federal jurisdiction over the past few years, State actions that are referred to Federal courts by this bill will be delayed. They also may get caught up in some judicial districts that have been dealing with terrorism cases or the temporary onslaught of other criminal cases. Adding in complex class action litigation to an already overloaded docket will only add to additional delays.

These delays will be exacerbated by the provision in the bill that grants an automatic, pretrial appeal and a stay of discovery during that appeal. Guilty corporations who use their appeals under the bill will be able to delay their inevitable judgment day by several years. A rule that was offered in committee by the gentleman from Massachusetts and myself would have specifically dealt with this problem, but that amendment was rejected by the Committee on Rules.

Mr. Speaker, many of the cases, in fact, should remain in State court. H.R. 1115 would often require Federal judges to apply State law when State judges have more familiarity with the law in their own States. This may result in mistakes being made in the application of State law, affecting both plaintiffs and defendants.

H.R. 1115 violates uniform rules of Federal procedure. For example, Federal courts will be required to apply one set of rules on diversity jurisdictions for everybody except class actions. There will be a separate rule for class actions. There will also be rules on removal, dismissal, remand, appellate review, and discovery where there will be rules for everybody, except class actions, another set of rules for class actions.

Now, there has been a whole lot of hoopla about so-called coupon settlements, about how legislation is necessary to address that problem when plaintiffs get a negligible recovery. Now, as the gentleman from Texas has pointed out, there are as many examples of Federal court abuses regarding coupon settlements as there are State court abuses.

But there is nothing inherently wrong with coupon settlements. If a business has been stealing only 50 cents at a time, the recovery for each individual class member will be minuscule. But a class action, even with a coupon settlement, will be effective in stopping the ongoing theft. One recent case involved a business which fraudulently calibrated its cash registers to steal small amounts of money from each customer. Now, how much will each customer be entitled to if they are cheated out of 3 cents? If you cannot have a favorable verdict when the individual damages are de minimis, you give an unscrupulous corporation a free pass, so long as they do not steal too much from each person.

Federal and State judges oppose this bill. The Federal Judicial Conference headed by the Chief Justice of the United States, the Conference of the Chief Justices which represents chief justices around the country, both oppose H.R. 1115. It is also opposed by the American Bar Association and consumer advocacy groups.

We have the responsibility to our citizens to ensure timely access to the courts for damages sustained. This bill will do nothing to help that issue. It will only give unscrupulous defendants new procedural schemes to delay justice, and justice delayed is justice denied.

Mr. Speaker, I ask that we reject the rule and reject the bill as unnecessary, unwise, and creating more problems than it solves. I urge my colleagues to oppose the bill.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield 3 minutes to the gentleman from Missouri (Mr. BLUNT), my very distinguished colleague and the whip of the Republican majority.

Mr. BLUNT. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I am here in favor of the rule and, of course, the underlying bill, and looking forward to the debate today.

This is an issue that we have brought to the floor now for the last several Congresses. And every time we do it, I see our Members on both sides of the aisle, many of whom will vote for it on both sides of the aisle, begin to understand that this is a great opportunity to talk about how badly the current system works. A debate that we used to dread, a debate that we used to fear, a debate that we used to be concerned about, now our Members are eager to talk about because of the incredible abuses out there in the system. We will see the gentleman from Virginia (Chairman GOODLATTE) and others stand up here during the day today with chart after chart after chart that shows what happens when consumers are unfairly treated in this system.

The changes we advocate today create an environment where the people that are impacted have a better chance to get money rather than the lawyers who put these class action suits together. It creates an opportunity to go to a court that will look carefully at the issues. We are going to see example after example of the millions of dollars that go to the lawyers involved and the $1 coupons and the smallest box of Cheerios and the 33-cent check that goes to the people in the class. Obviously, the lawyers thought the class had very little impact, as demonstrated by the settlement that they were willing to agree to.

□ 1100

If people were affected by this terrible thing that the lawyers contend happened, how is 33 cents a proper settlement? How is $1 a proper settlement? How is a coupon with money off, to go back to the same company that apparently had been so dastardly in launching suit, how could that possibly be a proper settlement?

How could any attorney spend time and go to the court and say to them at the end of this case, I want you to give my client a $1 coupon? I want you to give my client the smallest possible box of cereal? I want you to give my client a check for 33 cents?

This system is terribly abused. It needs to be changed. Vote for this rule. Seeing Democrats and Republicans on the floor today vote for the bill sends a message that will change this system in a way that benefits consumers and benefits justice.

Mr. FROST. Mr. Speaker, I yield 7 minutes to the gentleman from Massachusetts (Mr. DELAHUNT), a member of the Committee on the Judiciary.

Mr. DELAHUNT. Mr. Speaker, I thank the ranking member for yielding time to me.

Mr. Speaker, the proponents, they do not want to reform class actions; they really want to destroy them.

Not only have they for all intents and purposes barred States from considering these cases by means of a massive expansion of Federal jurisdiction, against the advice, by the way, of the Chief Justice of the Supreme Court, Chief Justice Rehnquist, the Judicial Conference of the United States, and the Conference of State Chief Justices, but they have cleverly changed the rules in the Federal courts to further thwart class action suits. I want to acknowledge that it is a brilliant strategy.

Do Members realize that even Washington cannot dictate the rules by

which State courts handle their cases? So they simply remove most of these cases to the Federal court. Then once they are in the Federal court, they design an obstacle course to make sure that most of these cases will just linger and linger and linger and never see the light of day. They did this by adding a section which creates an automatic right of appeal. If a Federal district court simply certifies, simply certifies a class, that appeal comes before the case is even heard on the merits.

Now, that is not all. The bill, as others have indicated, would halt all discovery proceedings in the case until the appeal, until the appeal is completed. This unprecedented new right for defendants is unheard of in the American civil justice system.

What does it mean in practical terms? There is already an enormous backlog in the Federal courts, as others have suggested. This bill in and of itself will seriously exacerbate that problem and it will delay the resolution of these cases by years. As the gentleman from Virginia has said: Justice delayed is justice denied.

What I find particularly unconscionable is that the sponsors claim that the first purpose of this act is to ensure fair and prompt, and prompt, recoveries for class members with legitimate claims. Well, as that great philosopher, Rodney Dangerfield, said, Give me a break. It is important to understand that class actions do not exist solely, solely, to provide relief for private wrongs. No, they exist to correct and punish and deter; most importantly, deter corporate misconduct that harms large numbers of ordinary people and can put all Americans at risk.

Remember, Mr. Speaker, the Firestone case, the tobacco cases, where it was class action suits that revealed the ugly truth that lives had been sacrificed because of corporate greed? Because of this bill, we will create fertile ground for future Firestone and tobacco cases. That is a tragedy.

We should also understand that the existing practice which was adopted by rule in 1998 gives the judge discretion to permit an appeal of a class certification order and to stay proceedings. But as Judge Scirica, writing on behalf of the Judicial Conference of the United States, said in a recent letter to the committee, and now I am quoting, ''Providing an appeal as a right might tempt a party to appeal solely for tactical reasons.''

He pointed out that many appeals are unnecessary, wasteful, and expensive. He said that he was unaware of any dissatisfaction, not a single complaint from the bench or bar, with the current rule; and that since the rule had only been promulgated recently, any consideration of it being amended should be deferred.

Well, as my colleague, the gentleman from Virginia (Mr. SCOTT) said, we agreed with Judge Scirica and filed an amendment to undo their damage. Of course, it was not made in order. I guess I should not be surprised.

Members should know that these concerns would not only affect future class action suits in the Federal court. No, the sponsors were not satisfied with that. They wanted the whole enchilada. Unbelievably, they made that provision retroactive, so it will alter the course of hundreds of cases that have already been filed in Federal court and cause further delay, further delay; cases like the ImClone case, in which that CEO was just sentenced to 7 years in prison for fraud and perjury and obstruction of justice; and like the Enron case, brought by thousands of investors who claim more than $20 billion in damages as a result of the series of fraudulent transactions that destroyed the company and rendered its stock worthless.

Are there abuses of the system? Of course. That is undeniable. The Democratic substitute would address them; but the underlying bill does not. That is not its purpose. Its purpose is to shield corporate wrongdoers from civil liability and leave the public unprotected.

This is not about protecting plaintiffs, and, as I said, ensuring prompt recoveries; it is about protecting large corporations whose conduct has been egregious. It is about protecting the powerful at the expense of the powerless, and to prevent people from banding together as a class to challenge power in the only way they can.

Defeat the rule and defeat the bill.

Mr. Speaker, there's a lot that's wrong with this bill. But nothing is as wrong as the provision that was added to it during our committee debate to give it retroactive effect with respect to cases already pending in court.

It's one thing to make new policy for future cases. It's quite another to rewrite the rules once the whistle has sounded.

Why in the world would the sponsors of the bill insist on making it retroactive?

During our markup, one of the supporters of the amendment making the bill retroactive said, and I quote, ''If this bill is enacted but pending cases that have not been certified for class treatment are excluded, it would discriminate against those who may be joined to a class in a pending case after the date of enactment.''

In other words, Mr. Speaker, we must transfer all pending cases to federal court and make every class certification subject to automatic appeal to ensure that no individual is forced to be a member of a class against his or her will. That's like saying that we have to quarantine the entire U.S. population to contain a single outbreak of West Nile virus. The truth is that individuals can already opt out of the class at the time they receive notice of the suit. And under rules that go into effect in December, judges will be able to extend the opt-out even after certification.

Such an argument does not deserve to be taken seriously. But the supporters also make a second argument. Unless we apply the new rules to pending cases, they say, there will be a rush to the courthouse by new plaintiffs seeking to file ''frivolous'' lawsuits under the old rules.

Here again, they propose to disrupt the hundreds of cases now awaiting class certification, some of which have already been in court proceedings for many months, in order to prevent certain other people, as yet unknown, from racing to file other cases.

This argument is almost so absurd that one is embarrassed to respond to it. If a suit is frivolous, it will survive a motion to dismiss, where it is filed in state or federal court. That is the customary remedy for frivolous lawsuits, and the courts are quite capable of using it.

No, I'm afraid that ''this dog won't hunt,'' as my good friend, the gentleman from North Carolina (Mr. COBLE), is so fond of saying.

The real reason they're so desperate to make the bill retroactive is obvious. It's the only way to throw a monkey wrench into the class actions that are now proceeding against the former executives at companies like Enron, WorldCom, and Global Crossing, who are facing both civil and criminal liability for the systematic looting of their companies. For the brazen misconduct and self-dealing that defrauded creditors and investors of billions of dollars, and stripped employees and retirees of their livelihood and life savings.

If this bill passes, those executives will be able to breathe a sign of relief. In fact, they'll get another year or two in which to spend down their ill-gotten gains before they need to worry about going to trial.

It's no surprise that the House leadership was unwilling to make in order an amendment that would have stripped the retroactivity language from the bill. They don't want the public to know what they're doing. They're embarrassed by it. And they ought to be.

Oppose the rule and vote ''no'' on the bill.

Ms. PRYCE of Ohio. Mr. Speaker, I am pleased to yield 8 minutes to my distinguished colleague, the gentleman from Virginia (Mr. GOODLATTE), chairman of the Committee on Agriculture; but more importantly, today, the author of this important reform legislation and a very valued member of the Committee on the Judiciary.

Mr. GOODLATTE. Mr. Speaker, I thank the gentlewoman, our excellent conference chairman, for yielding me this time.

Mr. Speaker, this is a good and fair rule. I would urge my colleagues to adopt it. It makes in order important amendments that should be considered and debated carefully. It makes in order an amendment offered by the gentleman from the other side of the aisle, the gentleman from Virginia (Mr. BOUCHER), along with the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER) and myself, which will take into account some of the provisions that were considered in the Senate. We are pleased to do that because we are certainly interested in making the bill better.

I would urge my colleagues to defeat the other amendments that are going to be offered because they do not make this legislation better; they would gut it, they would harm it. I would urge Members' opposition to it.

In response to my good friend, the gentleman from Virginia (Mr. SCOTT), this is not tort reform; this is court reform. As a result, we are not harming the ability of any of those cases that

the gentleman cited to be considered carefully and fairly.

In fact, because this legislation improves the court process, it is court reform, and it will make those cases heard better in courts more capable of hearing them. We will address some of those specific cases as the debate proceeds.

With regard to his comments about coupon settlement reform, let me point out that while the gentleman may laud coupon settlements, most of us think they are a considerable abuse. The reason is very simple: The plaintiffs' attorney sues a company and then settles the case for millions of dollars, not for the plaintiffs but in attorneys' fees. The plaintiffs, the people he is supposed to be protecting, supposed to be representing, get a coupon to buy more of the product that he alleged was defective in the first place.

Coupon settlements are a gross abuse, and what this bill does to correct the problem is to require greater scrutiny of those cases. It also cuts out the abuse of that plaintiffs' attorney going to his or her secretary or friend or neighbor and saying, hey, help me bring this case because you fit into this class, and I will give you $100,000 for doing that when we settle the case; but the rest of the plaintiffs will get a coupon. That is an abuse. It ought to be ended.

To the gentleman from Texas (Mr. FROST), I would point out that while he may cite the newspaper of the gentlewoman from Ohio criticizing this legislation, that newspaper is by far in the minority in this country on this issue.

America's newspapers know that this is a class act when they see it, and that is what this legislation is. The Washington Post called it ''Making Justice Work.'' They said, ''This'', the current system, ''is not justice. It's an extortion racket that only Congress can fix.''

Newsday, not a newspaper that ordinarily endorses legislation from this side of the aisle, they said, ''Congress should stem abuses of class-action lawsuits. Class-action lawsuits are ripe for reform.''

The Christian Science Monitor: ''Reforming Class-Action Suits.'' ''Class-action suits have also become an ATM for unscrupulous lawyers . . . ''

USA Today: ''Class-action Plaintiffs Deserve More Than Coupons.'' '' . . . lawyers, who put their own welfare ahead of their client's needs,'' under the current system.

The Hartford Current: The Class-Action Racket.'' They described the current system. '' . . . the Class Action Fairness Act would help eliminate some of the worst abuses.''

It does not stop there. The Buffalo News, the Indianapolis Star, the Des Moines Register, the St. Louis Post Dispatch, the Omaha World Herald, the Wall Street Journal, the Providence Journal, the Financial Times, the Chicago Tribune, the Oregonian, Cedar Rapids Gazette, the Akron Beacon Journal, the Albany Times Union, the list goes on and on of newspapers endorsing what we are trying to do. Why? Because of the abuses.

Here is a great case: A settlement with Cheerios over food additives produced a $2 million settlement in attorneys' fees, while class members only received coupons for more Cheerios.

Here is another one: After being named in 23 class action lawsuits, Blockbuster agreed to provide class members with only $1-off coupons; buy one, get one free coupons; and free Blockbuster Favorites video rentals. And those are the old videos you come back and hope they will rent more of, not the latest ones. Attorneys for the plaintiff received $9.2 million in fees.

It gets better. A settlement of a suit against an airline gave class members $25 coupons off to use when they purchased an additional airline ticket of $250 or more from the same airline from which, I presume, there was some complaint regarding the service they were providing. You get a 10 percent discount if you buy another ticket for $250 or more. What did the plaintiff's attorneys get? Sixteen million dollars.

The Bank of Boston, a settlement over disputed accounting practices produced an $8.5 million attorneys' fee and actually cost the class members they were representing. Why? Because they had to pay an additional $80. Later, the plaintiffs' attorney came into the case and sued the class members, the people they were representing, for an additional $25 million. You did not pay them enough. Even though you had to pay $80 in the settlement of the case and you did not get a coupon, they had to get more.

Here is my favorite. This is the case where consumers were awarded a 33-cent check in a class action against Chase Manhattan Bank, 33 cents. Great. There was a catch, though. At that time, in order to accept your 33-cent check, you had to use a 34-cent stamp to send in the acceptance.

□ 1115

Sounds like a 1-cent net loss. The attorneys in the case, well, they came out all right, $4 million in attorney fees. Here is one of the checks: 33 cents.

Now, some have said that there is an issue of federalism here, that somehow we are taking away rights from the States. But under current law, a simple slip-and-fall lawsuit involving a Virginia defendant and a Maryland plaintiff can be brought in Federal district court today. Yet, a nationwide class action lawsuit worth $100 million, $1 billion, with plaintiffs in the hundreds of thousands from all 50 States, with multiple defendants from more than one State, that winds up in a State court in Illinois. It cannot be removed to Federal court because of the antiquated class action laws.

Now, do people understand this? You bet they do. Here is a USA Today poll. Opinions on class action lawsuits. Who benefits most from class action lawsuits? Is it the plaintiffs? Is it consumers? No, they know. Lawyers for the plaintiffs, 47 percent of the public says that. Who is second? Lawyers for the defendants. They come out all right, too. They are going to get paid.

How about the plaintiffs themselves? Nine percent. Sixty-seven percent say the lawyers benefit. Nine percent say the plaintiffs themselves are benefiting.

And, again, I remind you, there is broad bipartisan support for this legislation. The clients get token payments while the lawyers get enormous fees.

This is not justice. This is an extortion racket that only Congress can fix. Who said it? The Washington Post.

I urge my colleagues to support this rule and to support the underlying legislation. This has great prospect for success this year. We are very close in the Senate to passage of this legislation as well. The President anxiously awaits it on his desk.

Let us support this bipartisan simple tort reform that will make it possible for class actions to be heard and dealt with fairly throughout this country.

Mr. FROST. Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma (Mr. SULLIVAN), my very distinguished colleague.

Mr. SULLIVAN. Mr. Speaker, I would like to thank the gentleman from Virginia (Mr. GOODLATTE) for those very informative charts. I believe we need to stop the lawsuit lottery in this country.

Today I rise in support of H.R. 1115, the Class Action Fairness Act of 2002. H.R. 1115 is a critical piece of legislation that can reform tort law and give reprieve to our beleaguered State and local courts that are suffering under the weight of frivolous lawsuits.

Statistics have shown that upwards of 93 percent of Americans believe tort reforms are needed. These statistics also show that 50 percent of all tort awards go towards lawyers' fees and their administrative costs. From these figures it is easy to discern that the American people demand tort reform and protection from lawyers who are looking out for their own interests rather than those of the plaintiffs they represent.

The Class Action Fairness Act of 2003 seeks a balanced and sensible approach to address the worst class action abuses. It provides protections for consumers and assures fair and prompt recoveries for class members with legitimate claims. The bill specifically discourages lawyers from forum shopping for courts most likely to approve a prospective class of plaintiffs and award large monetary decisions.

By curbing these abuses of the class action system, consumer costs will be driven down and these lawsuits will benefit plaintiffs they are intended to compensate. This sensible legislation will restore balance, fairness, and uniformity to our civil justice system. It

is a good step in the right direction in reforming tort law and will protect plaintiffs and consumers alike.

I urge my colleagues to vote in favor of H.R. 1115 to set a precedent of judicial fairness.

Ms. PRYCE of Ohio. Mr. Speaker, I have one remaining speaker. Does the gentleman from Texas (Mr. FROST) have anyone further?

Mr. FROST. Mr. Speaker, does the gentlewoman have one speaker, and then will she close after that?

Ms. PRYCE of Ohio. Yes, Mr. Speaker.

Mr. FROST. Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. SIMPSON). The gentlewoman from Ohio (Ms. PRYCE) has 5½ minutes remaining. The gentleman from Texas (Mr. FROST) has 7½ minutes remaining.

Ms. PRYCE of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. KING), my distinguished colleague and a member of the Committee on the Judiciary.

(Mr. KING of Iowa asked and was given permission to revise and extend his remarks.)

Mr. KING of Iowa. Mr. Speaker, I would like to remark on the distinguished gentleman from Virginia's (Mr. GOODLATTE) comments.

There is nothing I can add to the emphasis he has put here today. I simply add my voice and I wish to associate myself with the very dramatic and emphatic presentation that the gentleman from Virginia (Mr. GOODLATTE) has made.

I would point out that our tort system consumes up to 3 percent of our gross domestic product. If we need 3½ growth just to sustain our economy, and our freedom, I might add, then our economy has to grow at 6½ percent in order to make up for the 3 percent that is consumed in our tort system.

It is a deep problem that we must address. It is a loophole in our current system that allows class action lawsuits involving plaintiffs from nearly every State to file suits in those few States that are known to be plaintiff-friendly and hostile to out-of-State defendants.

These few State courts are making the decisions that set the policy for other States and the entire country. Out-of-State companies and residents are being sued in class action lawsuits in other States where their rights are being determined under those State laws. H.R. 1115 appropriately addresses this forum shopping problem by allowing Federal courts to hear class action lawsuits involving plaintiffs or defendants from multiple States or foreign countries.

The biggest winners in the current class action scheme are trial lawyers, not consumers. The public knows that, as was pointed out. The large fees awarded class action lawyers through settlements all too often do not constitute legitimate harm, because many companies agree to these settlements in order to lower the costs of nuisance lawsuits. Unfortunately, settling cases with little or no merit results in higher prices for consumers. Frivolous class action cases are, in effect, a litigation tax imposed on consumers because the economic damage to a company results in higher prices for its products.

The explosion of class actions lawsuits has reached crisis proportions. I encourage you to vote for H.R. 1115 and help address the growing class action problem in America.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have been listening to the great crocodile tears shed on the other side on the issue of coupon settlement proposition. Of course, if they want to change that, they should support the Democratic substitute which is stronger on the issue of coupon settlements than their underlying bill.

Also, it is fascinating to listen to the advocates of States rights on the other side suddenly shift gears and become advocates of a very strong Federal system. I guess there is just a fundamental distrust of our State court system on the part of Republicans, and I find that very curious and very interesting. Also, particularly in light of the fact that the Chief Justice of the Supreme Court of the United States is opposed to dumping these additional lawsuits into the already overburdened Federal system.

So we just have a peculiar situation in which people on the other side of the aisle are disregarding the Chief Justice of the United States, a member of their own party, and are also suddenly, in this particular instance, advocating for stronger action by the Federal system which would override the State system that they normally support.

Mr. Speaker, I urge Members to vote no on the previous question. Last night the Committee on Rules broke with its past precedents and refused to make in order two important amendments Democratic Members brought to the committee.

If the previous question is defeated, I will offer an amendment to the rule that will restore fairness in the debate on class action reform that the House has adopted in the previous two Congresses. Under my proposal, the House will be allowed to debate one amendment by the gentleman from Michigan (Mr. CONYERS) and the gentleman from Massachusetts (Mr. DELAHUNT) that will delete the bill's retroactive provisions; and, two, the Delahunt-Scott amendment to prevent corporations from using interlocutory appeals to run out the clock on class action lawsuits.

No matter what their position is on this bill or on these particular amendments, all Members should support bringing fairness back to the process and vote no on the previous question.

I am merely asking that all Members with serious amendments be allowed to bring them to the House floor just as they have been able to on the earlier occasions when we have debated class action reform.

Let me make it very clear. A no vote would not stop the House from taking up the Class Action Fairness Act and would not prevent any of the amendments made in order by the rule from being offered. However, a yes vote will preclude the House from considering these two very important amendments that are critical to the debate on class action lawsuits.

Mr. Speaker, I ask unanimous consent to insert the text of the amendments immediately prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FROST. Mr. Speaker, again, vote no on the previous question.

Mr. Speaker, I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing let me just remind my colleagues that the critics had it backwards. This bill restores, rather than undermines, the principled balance of Federalism. It is the other 49 States' rights that are being protected when one State's judge is precluded from making law and determining the law and the outcome for the other 49. This is truly an example of a principle of federalism.

This legislation provides important and needed reform. It will help plaintiffs that are part of a class receive more than just a coupon for a box of cereal, a coupon that goes back to the very company that was sued in the first place.

It is laughable, Mr. Speaker. It will give needed accountability while preserving the rights of the truly injured. But more importantly for me as a former member of the bench, it will bring back the public's faith in our justice system, because really it has become a joke. As you listen to the debate this afternoon, it is so sad that it is almost funny. This country is only as strong as the faith our citizens have in its laws and how they are applied to them. When it becomes a joke, it weakens us.

H.R. 1115 has the strong support of the administration. It is an important step forward in commonsense reform. I urge my colleagues to put the plaintiffs first. Let us get justice back in our system. Support this fair and balanced rule and the underlying legislation.

The material previously referred to by Mr. FROST is as follows:

PREVIOUS QUESTION FOR H. RES. 269—RULE ON H.R. 1115, CLASS ACTION FAIRNESS ACT OF 2003

At the end of the resolution, add the following:

''SEC. 2. Notwithstanding any other provision of this resolution, the amendments printed in section 3 shall be in order as

though printed after the amendment numbered 3 in the report of the Committee on Rules if offered by the Member designated. Each amendment may be offered only in the order specified in section 3 and shall be debatable for 20 minutes equally divided and controlled by the proponent and an opponent.

''SEC. 3. The amendments referred to in section 2 are as follows:''

(1) Amendment by Representative CONYERS of Michigan or a designee:

Strike section 8 and insert the following:

SEC. 8. EFFECTIVE DATE.

The amendments made by this Act shall apply to any civil action commenced on or after the date of the enactment of this Act.

(2) Amendment by Representative DELAHUNT of Massachusetts or a designee:

Strike section 6 and redesignate the succeeding sections accordingly.

Ms. PRYCE of Ohio. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 and 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered on the question of adoption of the resolution and, thereafter, on approving the Journal.

The vote was taken by electronic device, and there were—yeas 229, nays 193, not voting 12, as follows:

[Roll No. 265]

YEAS—229

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—193

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—12

Ackerman
Conyers
Cubin
Eshoo
Gephardt
Jefferson
Johnson (CT)
Marshall
Nunes
Rothman
Sherman
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1148

Messrs. CAPUANO, BOYD, BAIRD and RODRIGUEZ changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FROST. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 235, noes 188, not voting 11, as follows:

[Roll No. 266]

AYES—235

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)

Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—188

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—11

Ackerman
Cubin
Eshoo
Gephardt
Johnson (CT)
Nunes
Rothman
Rush
Sherman
Smith (WA)
Sullivan

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised 2 minutes remain in this vote.

□ 1157

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question de novo of the Chair's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MCNULTY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 347, noes 74, not voting 13, as follows:

[Roll No. 267]

AYES—347

Abercrombie
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baker
Ballance
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Bereuter
Berkley
Berman
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Cox
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeGette
DeLauro
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Dooley (CA)
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
Etheridge
Everett
Farr
Fattah
Feeney
Ferguson
Flake
Foley
Forbes
Frank (MA)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Grijalva
Hall
Harman
Harris
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hill
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Honda
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Janklow
Jefferson
Jenkins
John
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Lantos
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moran (KS)
Moran (VA)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Owens
Oxley
Pallone
Paul
Payne
Pearce
Pelosi
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roybal-Allard
Royce
Ruppersberger
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sanders
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stearns
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Upton
Van Hollen
Walden (OR)
Walsh
Wamp
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Whitfield
Wilson (SC)
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—74

Aderholt
Baird
Baldwin
Berry
Brady (PA)
Brown (OH)
Capuano
Carson (IN)
Clay
Costello
Crane
DeFazio
Delahunt
Deutsch
English
Evans
Filner
Fletcher
Ford
Fossella
Franks (AZ)
Gonzalez
Green (TX)
Gutierrez
Gutknecht
Hart
Hastings (FL)
Hefley
Hinchey
Holt
Kaptur
Kucinich
Larsen (WA)
Lee
Lewis (GA)
Lipinski
LoBiondo
Matheson
McDermott
McGovern
McNulty
Miller, George
Moore
Oberstar
Obey
Olver
Ortiz
Pascrell
Pastor
Peterson (MN)
Ramstad
Rush
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Schakowsky
Shadegg
Stark
Stenholm
Strickland
Stupak
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (CO)
Udall (NM)
Velazquez

Visclosky	Weller	Wicker
Waters	Wexler	Wu

NOT VOTING—13

Ackerman	Johnson (CT)	Smith (WA)
Cubin	Musgrave	Vitter
Davis (IL)	Nunes	Wilson (NM)
Eshoo	Rothman	
Gephardt	Sherman	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1204

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SHERMAN. Mr. Speaker, I was unavoidable detained during rollcall votes 265, 266 and 267. Had I been present, I would have voted: ''No'' on rollcall vote 265 and 266 and ''yes'' on rollcall vote 267.

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill, H.R. 1115.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CLASS ACTION FAIRNESS ACT OF 2003

The SPEAKER pro tempore. Pursuant to House Resolution 269 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1115.

□ 1205

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1115) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, with Mr. LATOURETTE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 1115, the Class Action Fairness Act of 2003. In years past, the occasional news account of some outrageous class action verdict or settlement was light humor. Now the stories are so common there is no punch line, the class action judicial system itself has become a joke, and no one is laughing except the trial lawyers, all the way to the bank.

Abuse of State class action lawsuits is now systemic and this mounting crisis is a threat to the integrity of our civil justice system and a persistent drain on the national economy. Since this House passed nearly identical class action reform legislation in the 107th Congress, a bill which died in the Democrat-controlled Senate, the problem has only gotten worse. One major element of the worsening crisis is the exponential increase in State class action cases, many of which deal with national issues and classes.

In the past 10 years, State court class actions filing nationwide have increased over 1,000 percent. In certain ''magnet courts'' known for certifying even the most speculative class action suits, the increase in filings over the last 5 years is approaching 4,000 percent. Take, for example, the court in Madison County, Illinois, a rural county of 250,000 people which is on pace for a projected 3,650 percent increase in class action filings over 1998 levels. Eighty-one percent of those cases sought to certify nationwide cases, including all nationwide Sprint customers ever disconnected on a cell phone, all Roto-Rooter customers nationwide whose drains were repaired by unlicensed plumbers, and all nationwide customers who purchased a ''limited edition'' Barbie doll at a higher price.

So why are all these class action cases filed there? Madison County did not experience a similar growth in population during this time, nor did it suddenly become a hub for interstate commerce. Furthermore, there is no evidence to suggest that the good people of Madison County are somehow cursed or more plagued by injuries than the average citizen. Indeed, the only explanation for this phenomenon is aggressive forum shopping by trial lawyers to find courts and judges who will act as willing accomplices in a judicial power grab, hearing nationwide cases and setting policy for the entire country in a local court.

A second major element of the present class action crisis is a system producing outrageous settlements that benefit only lawyers and trample the rights of class members. Class actions were originally created to efficiently address a large number of similar claims by people suffering small harms. Today they are too often used to efficiently transfer large fees to a small number of trial lawyers doing great harm. The present rules encourage a race to any available State courthouse in hopes of a rubber-stamped nationwide settlement that produces millions in attorneys' fees. Clearly, some trial lawyers are winners in this race, but as the Justice Department testified at the committee's last hearing, the losers in this race are the victims who often gain little or nothing through the settlement, yet are bound by it in perpetuity. These same victims and all consumers often bear the cost of these settlements through increased prices for goods and insurance.

Mr. Chairman, I would like to share with Members a survey that was published in the USA Today newspaper on Monday, March 24, 2003: ''Opinions on Class Action Lawsuits, Who Benefits the Most From Class Action Lawsuits.'' Forty-seven percent said lawyers for plaintiffs, 20 percent said lawyers for companies, 12 percent said don't know, 9 percent said plaintiffs, 7 percent said companies being sued, and 5 percent said buyers of products.

Two-thirds of the American public according to this survey indicate that the beneficiaries of class action lawsuits are lawyers and only 14 percent said plaintiffs and buyers of products. This bill is designed to change this mix so that the consumers and the plaintiffs are the ones that benefit rather than lawyers for plaintiffs or lawyers for defendants.

Summarizing the problem last November, The Washington Post editorial board in a critique of the present system wrote:

''Class actions permit almost infinite venue shopping; national class actions can be filed just about anywhere and are disproportionately brought in a handful of State courts whose judges get elected with lawyers' money. These judges effectively become regulators of products and services produced elsewhere and sold nationally. And when cases are settled, the clients get token payments while the lawyers get enormous fees. This is not justice. It is an extortion racket only Congress can fix.''

Mr. Chairman, today Congress has an opportunity to end this extortion racket and fix this problem. Article 3 of the Constitution empowers Congress to establish Federal jurisdiction over cases between citizens of different States, but current rules on class actions require that all plaintiffs and defendants be residents of different States and that every plaintiff's claim be valued at $75,000 or more. These jurisdictional statutes enacted before the advent of modern class actions lead to results the framers would find perverse.

For example, under current law, a citizen of one State may bring in Federal court a simple $75,001 slip-and-fall

claim against a party from another State. But if a class of 25 million product owners or users living in all 50 States bring claims collectively worth $15 billion against a manufacturer, that lawsuit usually must be heard in State court.

H.R. 1115 would apply new diversity standards to class actions by changing the diversity requirements for class actions where any plaintiff and any defendant reside in different States and where the aggregate of all plaintiffs' claims is at least $2 million. These modest changes will keep large actions of a national character in Federal court where they belong.

□ 1215

H.R. 1115 also addresses the other major area in need of reform, the incentives for settlements in class action cases and scrutiny of those settlements. Under current rules, the first case settled wins. Those left out must either find a way to join the settlement or forego their claim. This leads to bad settlements favoring lawyers over consumers in jurisdictions with lax class action requirements. In the last year, more such one-sided settlements benefiting only the lawyers occurred.

Example: A settlement with Blockbuster over late fees produced $9.25 million in lawyers' fees, and nothing more but dollar coupons for the consumers represented, only 20 percent of which are likely to be redeemed.

Another example: A settlement with Crayola over asbestos included in crayons produced $600,000 in attorneys' fees, and nothing but a 75-cent discount on more crayons for affected consumers.

In order to prevent abuses like this, H.R. 1115 aims to protect plaintiffs by prohibiting the payment of bounties to class representatives, barring the approval of net loss settlements, adopting better notice requirement provisions which clarify class members' rights, and by requiring greater scrutiny of coupon settlements and settlements involving out-of-State class members.

Finally, Mr. Chairman, it is important to note that the costs of class action abuses are not limited to the parties of the settlements. They are shared by the American consumer through higher prices and higher insurance premiums.

Class action lawsuits also pose a threat to investors and the security of American retirement plans, which are largely invested in equity securities of American corporations. While class action liability can be enormous, news of these lawsuits on Wall Street can drive down any particular stock by as much as 10 points in one day.

I also would note that we are likely to hear names like Enron, Adelphia and WorldCom tossed about today, and rhetoric that this bill would let such noted corporate wrongdoers off the hook. The truth of the matter is that nothing in H.R. 1115 would limit the rights of plaintiffs to seek redress in court in these types of cases.

Under current law, most lawsuits against these companies will be heard in Federal bankruptcy court, for the same reasons that Federal courts should be able to resolve many of the class actions. Federal courts protect the interests of diverse parties from all parts of the country. In addition, section 4 of H.R. 1115 specifically excludes a number of Federal securities and State-based corporate fraud lawsuits.

Mr. Chairman, the need to restore some common sense, fairness, certainty, and dignity in our class action system is clear. The time to act is now, and I urge my colleagues to vote for this bill and to put some sense back into our legal system.

Mr. Chairman, I reserve the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, welcome to ''Bash Trial Lawyers Day'' in the House of Representatives. My friend the chairman used the term 13 times in his presentation.

I just keep wondering, I would ask the gentleman from Wisconsin (Chairman SENSENBRENNER), what kind of law did you practice? I am intrigued by the right of trial lawyers not to be as effective as they can in court.

I notice that the Enron people have pretty good trial lawyers. I notice that WorldCom has pretty good trial lawyers. I notice that Adelphia has pretty good trial lawyers. These are all Republican supporters. I notice that Tyco has pretty good trial lawyers.

Why cannot people with class action suits have trial lawyers that are effective and doing a good job and get compensated for it?

I would yield to the gentleman, if he chooses to comment on that.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Everybody has a right to have a lawyer, but you ought to be for court reform.

Mr. CONYERS. Mr. Chairman, reclaiming my time, everybody has a right to a lawyer. I thank the gentleman very much. I am very happy this gets reiterated.

I just want to count the number of times trial lawyers get it in the neck. Property lawyers, they are okay. Domestic relation lawyers, have you got any beef about them? They are okay. But trial lawyers that try these kinds of class action cases, they are making out like bandits, so, let us put it in the Federal courts. Let us take all of the class action cases and send them to the Federal courts, exactly where the Federal judiciary is begging you not to send them; begging you not to send them. All the consumer groups are begging you not to send them there.

Yet you tried it in 1998, 1999, 2001, and, now for the fourth time in 6 years, you are back at it again.

Why? What is the problem, guys? Should not people, consumers injured, be able to bring their cases to their State courts where they have traditionally?

Well, the answer is, for me, yes; but for you, no.

Could somebody explain to me why we would make the cases retroactive on top of it? I yield the floor. Tell me why Tyco, Enron, WorldCom, Adelphia, just tell me why those five corporations should be granted a delay?

Mr. GOODLATTE. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. I yield with pleasure to the gentleman from Virginia, my friend on the Committee on the Judiciary.

Mr. GOODLATTE. Mr. Chairman, it is not a delay, it is an expedition. Quite frankly, they have no different treatment in Federal courts than State courts.

Mr. CONYERS. Mr. Chairman, I take my time back. I thank the gentleman very much for his contribution.

What this bill does, and I just ask that you would read it, I will quote you the exact place in the bill, is grant an automatic right of appeal in class certification cases automatically. Is that going to expedite things?

Most of the judges do not even grant an appeal if they had the discretion, and think I think you or your staff may be aware of this. That is a delay, I would say to the gentleman from Virginia (Mr. GOODLATTE).

Now, in addition to the automatic delay, there is a stay of all discovery proceedings while the right of appeal is exercised. Do you know how long that could take, I would ask the gentleman from Virginia (Mr. GOODLATTE)? About 2 years. Now you are telling me that is really expediting the process. I wait to hear your explanation of that.

I rise in strong opposition to H.R. 1115. Although the legislation is described by its proponents as a simple procedural fix, in actuality it represents a major rewrite of the class action rules that would bar most forms of State class actions and massively tilt the playing field in favor of corporate defendants.

This is why the legislation is opposed by both the State and Federal judiciaries, consumer and public interest groups, environmental and health groups, and civil rights groups. There are several critical problems with the bill before us.

First, H.R. 1115 will have serious adverse impact on the ability of consumers and other harmed individuals to obtain compensation in cases involving widespread harm. At a minimum, the legislation will force most State class action claims into Federal courts where there will be far more victims to litigate cases and where defendants could force plaintiffs to travel long distances to attend proceedings. At worst, because it is so much more difficult to certify class actions at the Federal level, the bill will operate to terminate most class action entirely.

Second, the bill includes a whole series of unrelated provisions that have nothing to do with class action jurisdiction, but will serve to benefit corporate wrongdoers. For example, section 6 of the bill gives the defendant an absolute right to appeal preliminary court decisions, which will delay the case by up to 2

years. The section also stops the discovery process dead in its tracks while the appeal is pending.

Most outrageously of all, the bill was amended so that it applies retroactively to pending cases. This means that the bill would apply to pending in corporate fraud cases. As my hometown paper, the Detroit Free Press wrote yesterday, ''the House version of the legislation is particularly offensive because it is retroactive, meaning it would affect class action claims now pending against Enron, Worldcom, Adelphia and other corporations accused of defrauding investors while their executives made millions of dollars.'' Is there a single Member in this Chamber who could defend Congress intervening in a pending case to help these corporate scam artists?

Fourth, the bill federalizes far more than just class actions. Section 4 provides that private attorney general actions and mass tort actions are to be treated as class actions and removed to Federal court. This means that district attorneys will no longer be able to combat fraud and abuse in their own State courts, and groups of harmed tort victims will be forced out of their State courts as well.

Do not be fooled by the Boucher amendment, which proponents claim will incorporate the Feinstein language from the Senate. What they do not tell you is that unlike the Feinstein compromise, the Majority's bill applies retroactively, allows for two year delays or more, and knocks out private attorney general actions. None of these provisions were in the Feinstein amendment in the Senate.

I believe it is time for more corporate accountability, not less. I urge a no vote on this one-sided, anti-consumer legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would be happy to invite the gentleman from Michigan to my district, or I would be happy to go to Detroit, and have him explain to my constituents or me explain to his constituents why giving a consumer a coupon for 75 cents or $1 off a product that was manufactured by the company that injured that consumer and had a judgment entered against them, while giving a lawyer hundreds of thousands or millions of dollars' worth of legal fees, or having the lawyer send a deficiency bill to every member of the class, this bill takes care of this, is correct, and how it puts consumers in charge rather than lawyers.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia, Mr. GOODLATTE.

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me time and for his leadership in moving this legislation to the floor.

The reason why the interlocutory appeal allowed in the bill expedites the process and does not make it longer is that that issue is going to be heard on appeal anyway at the end of the trial, and, as you know, that takes years and years. Interlocutory appeals have historically been heard on average faster than appeals at the end of the trial, and, therefore, this will speed up the bringing of whatever allows the process to come to a conclusion.

Now, here is what we are talking about. Cheerios. What justice is done when the plaintiffs' attorney gets $2 million in attorney's fees and his clients get a box of Cheerios, the very product they allege was defective in the first place? What kind of justice for the plaintiffs is done there? I see the justice for the attorneys.

By the way, I say to the gentleman from Michigan, most trial lawyers are embarrassed by this abuse. Only a small cartel of very wealthy class action attorneys benefit from the current system. Most trial lawyers who represent most plaintiffs in America are embarrassed by this kind of abuse in the current system.

Abuses like $8.5 million in the Bank of Boston case for the plaintiffs' attorneys. The plaintiffs wound up having to pay money to their attorneys. Why did the attorneys get fees in a contingent fee case when their plaintiffs wound up having to pay them? They did not get anything.

Or the Blockbuster case that the gentleman from Wisconsin cited: $9.25 million to plaintiffs, $1 off on your movie ticket.

The great airline case, the frequent flier case. A 10 percent discount on your plane flight, if you buy another ticket on this so-called defective airline for $250 or more. The attorneys got $25 million.

The Coca-Cola case, the lawyers got $1.5 million, the plaintiffs got a 50-cent coupon.

Of course, my favorite case, the case of Chase Manhattan Bank, the attorneys got $4 million, the plaintiffs got 33 cents. Here is one of the checks, 33 cents. There is a little catch though, because you had to use a 34-cent stamp in order to send in the acceptance to get the 33 cents. That does not sound like a good deal for me either.

This restores federalism. It removes to our Federal courts the cases that involve the complexity and the diversity that our Founding Fathers created diversity jurisdiction for. A simple change in the law does not change the substance of class action, does not take away the right of anybody to bring a class action, but it does protect our system and the integrity of justice in America.

Mr. CONYERS. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, my distinguished friend, the gentleman from Virginia, forgot to put in Enron class action cases. I guess that was an oversight.

Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from Ohio (Mrs. JONES), a former prosecutor, judge, and attorney.

Mrs. JONES of Ohio. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in opposition to H.R. 1115. It is another series in ill-advised attempts to institute broad tort reform measures by this body. Class actions are often the only way in which small but meritorious claims can find redress, and, as such, they are an essential tool for enforcing civil rights, public health, environmental and consumer rights and laws.

It is very important, because my colleague disparages the integrity of elected State court judges. As a former State court judge, I speak for all of my colleagues to say that we are as qualified as those appointed by Presidents to the Federal bench.

I would also say that it is very important that if you look at the campaign funds of the people who are supporting this legislation, I guarantee you the organizations that do not want class actions are funding their campaigns.

I do not have enough time to say much more, except to say to all of you, vote against this legislation. It is not good for the consumer.

Mr. Chairman, I rise today in opposition to H.R. 1115, another in a series of ill-advised attempts to institute broad tort reform measures by this body. Class action lawsuits play an important role in our Nation's civil justice system, serving the dual objectives of practicality and fairness. Class actions are often the only way in which the small, but meritorious claims can find redress, and, as such, they are an essential tool for enforcing civil rights, public health, environmental and consumer rights and laws. The bill before us seeks to remove this tool and impair consumers' access to justice. Further, it disregards longstanding principals of federalism and would stress an already overburdened Federal judiciary.

There is no statistical evidence of a State class action ''crisis'' as proponents of this bill claim. In fact, there is empirical evidence to the contrary. For the past several years, the RAND Institute for Civil Justice has been studying class action settlements, only to find that given the small dollar amount of individuals' losses, it was ''highly unlikely that any individual claiming such losses would find legal representation without incurring significant personal expense.'' This study also found that class actions often resulted in changes to a companies business practices and that ''class counsel's fees were a modest share of the negotiated settlements.'' Overall, it concluded that its survey ''contradicts the view that damage class actions invariably produce little for class members and that class action attorneys routinely garner the lion's share of settlements.''

There is also no basis for the unfounded premise that big companies cannot get a fair trial in State courts—claims that are promulgated by sensationalist rhetoric surrounding a mere fraction of the class action suits that are introduced. Where the infrequent abuse has occurred, it is important to note that it is not an endemic feature of State judiciaries as proponents of this legislation would have us believe—in fact, many Federal class acitons have expeirenced the same outcomes that attract criticism at the state level.

My colleague disparges the integrity of elected State court judges. As a former judge I protest—if the campaign coffers of those supporting this legislation were reviewed—I venture a guess then—the contributors are supportive of this legislation.

But there is an overwhelming amount of evidence pointing to the fact that this bill would

make it harder—if not impossible—to bring cases against major corporations in an era of increasing consumer and shareholder vulnerability. Legitimate lawsuits could be thrown out or stalled if defendants are given the right to move just about any class action case from States to a crowded Federal court docket. Since the mid-1990s, the Federal civil dockets have been severely backlogged. From 1993 to 2002, U.S. district court civil filings climbed by nearly 37,000 cases (16 percent). And according to the U.S. Judicial Conference, the Federal courts are short by 150 judges.

This legislation would not only further overburden the schedules of Federal judges, but would put them in the difficult position of interpreting a host of State law issues that don't belong in Federal courts in the first place. This would result not only in extended delays in obtaining benefits for class members, but also increase delays for individual plaintiffs in other cases. And since Federal judges are required to provide speedy trials to criminal defendants, it is likely that class action suits would end up at the end of the long Federal docket line, giving corporate offenders more time to ''shred'' documents or dump stock shares.

There is no doubt that State courts are institutionally better suited to handle class actions than Federal courts. State courts' civil dockets typically experience smaller caseloads than their Federal counterparts, not to mention greater experience with State civil laws. State courts are also more prepared to decide controversial issues of State law than Federal courts. Without State court interpretations, States' bodies of law will not develop solutions to new problems, or guide future conduct of businesses.

It is also important to remember that State courts are held to the very same standards of due process as their Federal counterparts. If State judges fail to perform their duties appropriately, States have adequate mechanisms for reprimanding them. And let us not forget that State judiciaries are capable of self-regulation. Where real problems with the certification process have occurred, the offending States have responded with reforms aimed at improvement. In Alabama, the often-cited ''swamp justice'' State according to the proponents of this legislation—both the legislature and the judiciary have been acting to tighten class action procedure in response to accusations for ''drive-by'' certifications.

If the foundation of our democracy relies on the strength and preservation of federalism and deference to State's rights, how can we support legislation that has as its backbone the notion that State judiciaries are not as competent as Federal courts? Just ask the substantial number of Federal judges who have served on State judiciaries if they are ''better judges'' now that they operate on a Federal court level. I doubt any of them will respond that they are more neutral, or less biased, as a result of their Federal appointment. Put simply, neither the State nor Federal judiciaries are seeking class action reform because they are quite confident in their own competence.

Indeed, Chief Justice Rehnquist and the Judicial Conference of the United States are opposed to this legislation for reasons beyond ''unduly burdened'' Federal courts and disturbing States' jurisdiction over in-State class actions—they are opposed because at its heart it questions the principles that our Nation's courts are the backbone of a fair and unbiased justice system.

Class actions play an important role in our civil justice system. We need to refrain from targeting the few class-action infractions at the expense of many citizens' right to their day in court. We also need to refrain from altering the delicate balance between State and Federal judiciaries established by the drafters of the Constitution and carefully engineered by their contemporaries.

Let us heed the advice of our most senior authority on this matter, Chief Justice Rehnquist, that ''Congress should commit itself to conserving the Federal courts as a distinctive judicial forum of limited jurisdiction in our system of federalism.'' This legislation is nothing more than a technically unsupportable effort to enact institutional advantages for large corporations in all class actions. Instead of promoting fairness and efficiency, H.R. 1115 simply gives tobacco companies, Enrons, Worldcoms, HMO's and polluters the power to choose the legal forum they believe will benefit them most.

A vote against the bill will send the reassuring message to our State and Federal judiciaries that their judgment and integrity is recognized by Congress. As a former judge, and now as a Member of this body, I urge my colleagues to vote against this bill.

Mr. SENSENBRENNER. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. SMITH), the chairman of the Subcommittee on Courts, the Internet, and Intellectual Property of the Committee on the Judiciary.

□ 1230

Mr. SMITH of Texas. Mr. Chairman, I thank the gentleman from Wisconsin, the chairman of the Committee on the Judiciary, for yielding me this time.

Mr. Chairman, I support H.R. 1115, the Class Action Fairness Act. This bill reforms the class action system and addresses the abuses that harm so many Americans.

In recent years, State courts have been flooded with thousands of frivolous lawsuits. Lawyers looking for the most favorable jurisdictions conduct the equivalent of a legal shopping spree. They use loopholes so class action suits can be heard in State courts rather than Federal courts. Today, State courts employ criteria so loosely defined that virtually any controversy can qualify as a class action.

We have all heard of the lawsuits in which the plaintiffs walk away with pennies, sometimes literally, while their attorneys walk away with millions of dollars in fees. For instance, in a suit against Chase Manhattan Bank that was referred to by the gentleman from Virginia (Mr. GOODLATTE) a few minutes ago, consumers were awarded 33-cent checks while the attorneys pocketed $4 million in fees. Mr. Chairman, to describe this suit, as well as other class action lawsuits, as ''frivolous'' is an insult to frivolousness. Even The Washington Post has acknowledged that under the present system ''lawyers cash in, while the 'clients' get coupons.''

There are many ''magnet'' State courts that have a reputation for doling out enormous judgments. This bill makes it easier to get cases into Federal court to avoid such unfair results.

Mr. Chairman, I, along with the gentleman from Virginia (Mr. BOUCHER), amended this bill in the Committee on the Judiciary to apply the law to cases that have been filed, but not yet certified as class actions. Cases that gain class certification after the date of enactment will have, in fact, the new rules apply to them.

This language eliminates any incentive to rush to the courthouse to avoid the reforms contained in the legislation. It also prevents individuals from being made part of a frivolous suit that has been filed before enactment of the new laws.

The widespread abuse of class action lawsuits must be stopped. The Class Action Fairness Act includes bipartisan, sensible reforms that clarify the rights of consumers and restore confidence in America's civil justice system.

Mr. Chairman, I urge my colleagues to support this legislation, and I also thank the chairman of the committee for his action in passing this today.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2½ minutes to the gentleman from New York (Mr. WEINER), a distinguished member of the committee.

Mr. WEINER. Mr. Chairman, something in me enjoys this exercise in self-flagellation by all of the lawyers in this Chamber. From time to time, those of us who are not lawyers in this Chamber, we convene a meeting, and we can do it in the phone booth in the cloakroom; but now we are all so angry at lawyers.

But this is not about lawyers. Frankly, most Americans are neither lawyers nor, thank God, are they victims, so they do not have to go into courts; and that is a good thing. But the groups that do represent victims, that do represent average Americans, almost universally oppose this legislation. Those that represent cancer patients, the American Cancer Society, oppose this legislation. Those who fight against pollution, the Clean Water Action, oppose this legislation. Those who represent seniors, the Gray Panthers, oppose this legislation. Those who represent consumers oppose this legislation. Those who fight against violence against women, the National Women's Health Network, oppose this legislation, because it is bad for victims and it is bad for those who use the system.

The gentleman from Virginia had these great charts. I am going to have to gesture because he would not let me use them. He had these great charts about 35 cents; that is all people are getting. Do my colleagues know why? Because there are millions and millions of victims; millions and millions of victims in that class. That is all that can go around is 35 cents. There

are hundreds and thousands of victims in this class. When you brag that, well, all the money that was left after they gave out these multimillion dollars was only 35 cents a person, that is a subject of how many people there were in that class.

I say to my colleagues, the bottom line is that it is ironic to hear the same people who came to this floor a couple of weeks ago and said, oh, the amount the victims are getting is too high, let us cap it at $250,000, now they are saying that 35 cents is too low. Do my Republican colleagues want to have a minimum? Sign me up. What is the number going to be? I know it is lower than $250,000 and higher than 35 cents, but we have to let my colleagues decide, because a jury cannot handle it. Oh, no. It is too mind-boggling for a jury to handle, because that is nine or 12 people from your district. They chose you, but they cannot figure out if Cheerios was right to short-change millions of consumers.

And let me say one other thing. Let me tell my colleagues one other group who should oppose this legislation: anyone that has the audacity to call themselves conservative. If you think it is conservative to take power away from the people and their States and give it to 1,500 Federal judges who sit in there in their marble chambers, who never talk to anyone or touch anyone, if you think that is conservative, you have it completely backwards. But then again, you do. You have it completely backwards.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 1 minute.

The gentleman from New York unfortunately has got it all wrong. What this bill does is it takes the power away from one State court judge to decide national legal and national economic policy and puts it in the Federal courts where the founders intended it to be when they established the right of Congress to establish diversity jurisdiction.

The second point that I would like to make is why did all of these consumers only get 33-cent checks? It is because the lawyers signed off in the settlement that filled their pockets to overflowing with legal fees and giving 33-cent checks to the clients that they supposedly represented. Now, if those lawyers were a little bit more fighting for their clients and less for themselves, maybe those checks would have been bigger because the fees would have been smaller.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I thank the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), for his work on this issue.

I am a lawyer. I am for class action reform. These lawsuits continue to victimize the victims. Even The Washington Post, as the gentleman from Texas referred to, said the clients get token payments: 33-cent checks, boxes of Cheerios. In one case, the clients even ended up having to pay. The lawyers get enormous fees. This is not justice; it is an extortion racket that only Congress can fix. That is why we are here today. We are here to fix it.

The intent of the class action system is to facilitate large groups who have similar harm caused to them to efficiently recover damages. Recover damages. That is appropriate damages, not 33-cent checks. We are here to change that so that appropriate damages will be recovered.

How are we going to do that? We are going to change the system. We are going to make sure that not one small court in one State makes a decision for an entire Nation of victims. We are going to put it in the Federal court where it should be.

Recent studies of the class action system show there is a 1,315 percent increase in class action suits filed in State courts. Listen closely: 1,315 percent increase in class action suits filed in State courts. Why? Because some of those State courts have been very friendly to that small group of trial lawyers who take on these suits and get 33 cents for their clients and large, million-dollar settlements for themselves.

Here is another number: those attorneys who search for local friendly courts like Madison County, Illinois. Madison County, Illinois, has seen a 1,850 percent increase in class action filings that certify their classes and they will rubber-stamp these ridiculous, useless settlements.

This abuse has three larger consequences. First, as I said, the plaintiffs are denied real relief, and we have heard many examples, while the attorneys pocket huge rewards. It is time for us to take responsibility and make sure that clients get proper settlements. Support this reform.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. DELAHUNT).

Mr. DELAHUNT. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, let me tell my colleagues who does support this bill, and particularly the provision that makes the automatic appeal and the stay of the discovery proceedings retroactive. It is none of the groups that were enumerated by the gentleman from New York, no. We have two letters that were submitted as testimony, as exhibits before the Committee on the Judiciary. One is the Association to Advance Technology. Another is a similar trade association involving the high-tech industry. My memory is that it was submitted by the gentleman from Virginia.

I just wonder, and I am really posing a question, I guess, do any members of either of these trade associations have class action suits pending against them now? I do not know, and I do not see the gentleman responding. But he was very effective with his parade of horror stories.

Well, let me tell my colleagues, too, I do not have any charts; but maybe we could present pictures here, pictures of dead people, people who died as a result of defective tires that were manufactured by Firestone. Maybe we could read the names of those who died as a result of not being informed by the tobacco industry about the carcinogens that are present in a cigarette. But thank God we had class action suits, because this Congress is not ready to take action until some lawyer, yes, a lawyer, went out and filed a class action suit and finally revealed what the truth was, that these industries were withholding information that affected the public welfare of the people of the United States.

Mr. Chairman, this bill doesn't ''reform'' the class action system. It eviscerates it. And before we curtail the ability of our citizens to bring class actions, we need to be clear about why they exist in the first place.

Class actions do not exist solely or even primarily to provide relief for private wrongs. They exist to correct, punish and deter misconduct that harms large numbers of ordinary people and society as a whole. Class actions level the playing field, uniting ordinary citizens who could never undertake complex and costly litigation on their own.

You can understand why a mechanism like this is threatening to major corporations. Faced with a single lawsuit by an average citizen, most major companies can barely stifle a yawn. It is only the prospect of a class action suit joined by hundreds or thousands of such citizens that can get their attention.

You can understand why corporate defendants would do all they can to stack the deck in their favor. Or in this case, to shuffle the deck in their favor.

The sponsors have hit on a brilliant strategy. Since Congress cannot dictate the rules by which state courts handle their cases, the bill simply removes the cases from state court and transfers them to federal court. Then, once they're in federal court, the bill changes the rules to make sure that most of these cases will never see the light of day.

As soon as the district court either grants or denies certification to the class, the bill gives the parties the right to an automatic interlocutory appeal of the decision. And as soon as a party files an appeal, the bill halts all discovery proceedings in the case until the appeal is completed.

What does this mean in practical terms? Given the huge backlogs in federal court—backlogs which this bill will only make worse—it will be years before discovery can resume. And years more before plaintiffs who have suffered grievous injuries can get to trial on the merits.

What's important to understand is that this doesn't just delay recoveries. It undermines the very purpose of the class action system by removing the incentive for corporate defendants to fix problems. And delaying the release to the public of information that might save lives.

The current federal rules permit the judge to entertain an appeal of a class certification order, and even to stay proceedings until the appeal is resolved. But as Judge Scirica has

explained in a recent letter to the committee on behalf of the Judicial Conference of the United States: ''Providing an appeal as of right might tempt a party to . . . appeal solely for tactical reasons. Staying discovery and other proceedings in the district court would only increase the tactical advantages of filing an interlocutory appeal, particularly because resolution of the appeal may not occur for 12 to 18 months.''

Nor will this problem affect only the cases that the bill transfers to federal court. It will also affect the hundreds of cases that are already there, since the bill applies retroactively to cases that have not yet been certified at the time it goes into effect.

Thoses cases include some of the most notorious corporate fraud cases in history, including—

The Enron case, on behalf of thousands of investors who claim more than $20 billion in damages as a result of the series of fraudulent transactions that destroyed the company and rendered its stock worthless.

The WorldCom case, in which the plaintiffs contend that corporate insiders and auditors disseminated materially false and misleading information and used illegitimate accounting schemes to hide losses and inflate reported earnings.

The Adelphia case, in which plaintiffs allege violations of federal securities laws flowing from the failure to disclose billions of dollars in debt.

The Global Crossing case, in which plaintiffs cite the accounting schemes that grossly misrepresented the company's financial picture and precipitated the ruin of the company.

The ImClone case, in which senior corporate executives engaged in fraud, perjury, and obstruction of justice for which the CEO has just been convicted in federal court and other indictments are pending.

These class actions seek to address the looting of company after company by corporate insiders, whose brazen misconduct and self-dealing defrauded creditors and investors of billions of dollars, and stripped employees and retirees of their livelihood and life savings.

Yet if this bill becomes law, the victims of those practices will face new obstacles in their efforts to call those executives to task.

Are there abuses of the class action system? Of course. We've all herd about abusive coupon settlements, collusive settlements, excessive fees, and the like. The Democratic substitute would address these problems. But the bill does not. That is not its purpose. Its purpose isn't to fine-tune the class action system but to eviscerate it. To shield corporate malefactors from civil liability and leave the public unprotected.

At our markup of this bill, one of its supporters said, ''The goal of this bill is to ensure that legitimate plaintiffs receive fair and prompt recoveries.''

Plainly that is not the goal of the bill. The goal is to ensure that legitimate plaintiffs are denied any recovery at all. And that whatever recovery they do receive is delayed as long as possible.

This bill is not about protecting plaintiffs. It's not about protecting the public. It's about protecting large corporations whose conduct has been egregious. It's about protecting the powerful at the expense of the powerless. And to prevent people from banding together as a class to challenge that power in the only way we can.

We must also see this bill in its proper context. It is only part of an ambitious and multipronged campaign by major corporations to evade their obligations to society.

Under the guise of ''deregulation'' we're watching the wholesale dismantling of health and safety standards, environmental protections, and longstanding limits on concentration of ownership within the media and other key industries.

This House has just passed a bill that releases gun manufacturers from liability for the death and destruction they cause. And a bankruptcy ''reform'' bill that rewards abuses by credit card companies and does nothing to curb the greed and irresponsibility that have bankrupted major corporations and left employees, retirees and creditors holding the bag. And a medical malpractice bill that caps recovery for the injuries inflicted on patients by negligent health care providers, while doing nothing to reduce the rate of medical errors or curb the exorbitant premiums charged by insurance companies.

Today's bill completes this picture. It takes aim at the civil justice system that exists to correct the wrongs that the government cannot or will not address. Not content to put an end to regulation, the proponents seek to muzzle the courts as well.

We cannot allow them to do it, Mr. Chairman. I urge my colleagues to vote ''no.''

Mr. SENSENBRENNER. Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Chairman, I rise in support of H.R. 1115, the Class Action Fairness Act, and I want to thank the chairman of the Committee on the Judiciary and the gentleman from Virginia (Mr. GOODLATTE) for bringing this legislation to the floor today. It is critical that the House act on this issue.

Over the past 10 years, there has been a dramatic increase in the filing of class action lawsuits in the United States. Some of these lawsuits have played a valuable role in our legal system allowing for the efficient resolution of legitimate claims where there were numerous parties involved. Unfortunately, too many class actions are frivolous and are brought about by greedy trial lawyers who are more concerned with shopping for the best venue to collect fees than with producing justice for the injured parties.

We have heard about some of these examples. The Blockbuster Video case where customers got a coupon for a dollar off the next video. The court in Minnesota that gave the credit card company that was engaged in deceptive practices, those customers got some coupons, and the chance to apply for a credit card at a lower rate. The attorneys got $5.6 million there. In the Blockbuster case, we heard they split $9.25 million. The Coca Cola case, the customers got some 50-cent coupons and the lawyers split $1.5 million.

Mr. Chairman, Americans love couponing. They love double couponing. They love triple couponing. But let me tell my colleagues something: this is a mighty expensive way to do it. The American people get ripped off, and the big-time lawyers and the greedy trial lawyers are getting the millions of dollars. They are hitting the coupon jackpot.

It is time to reform the system. I encourage my colleagues to support this legislation.

Mr. CONYERS. Mr. Chairman, I am happy to yield 3 minutes to the gentlewoman from California (Ms. WATERS), a member of the Committee on the Judiciary.

Ms. WATERS. Mr. Chairman, I thank the gentleman for yielding me this time.

The so-called Class Action Fairness Act has nothing to do with fairness. This corporate defendants' ''Choice of Forum Act'' is a one-sided, unfair gift to the polluters, the Enrons, and the pharmaceutical companies that will hurt consumers by delaying their access to justice. It will indefinitely delay hearings for people who may be victims of defective products, fraud, discrimination, and environmental pollution.

Mr. Chairman, this class action bill was a terrible bill when the House passed it in the last Congress; and fortunately, that bill died in the other body. Incredibly, H.R. 1115, this year's iteration of the bill, is even worse, as it now contains retroactivity language that will allow some of the worst corporate wrongdoers, companies like Enron, WorldCom, and Arthur Andersen, to remove cases filed against them in State court to the Federal courts where their attorneys can use the huge civil case backlogs in our Federal court system to just ''slow-walk'' the victims of their misconduct.

□ 1245

The bill provides an automatic right of an interlocutory appeal of a class action certification, slow walk, and a stay on all discovery while the class certification appeal is pending. Slow walk.

This unwise, ill-conceived intrusion on the jurisdiction of the State courts will destroy access to justice while overwhelmingly increasing the burdens on our Federal courts. That is why this bill is opposed by the Judicial Conference of the United States and the Conference of Chief Justices.

It is also strenuously opposed by every Democratic member of the caucus who has served as a trial judge at either the State or Federal level. It is even opposed by Chief Justice Rehnquist.

Finally, the bill will destroy the efficacy of private attorney general actions that consumers may now bring in the State of California to combat corporate fraud and wrongdoing. No one is better situated than the people of California to protect their rights as consumers under California law. That is why we should not support any bill that would allow corporate defendants to remove these cases to Federal court where they can avoid having to answer

to those State court judges with real expertise and the greatest knowledge of California law.

I strongly support the amendment that the gentlewomen from California (Ms. LOFGREN) and (Ms. LINDA T. SANCHEZ) will offer to strike the language permitting California private attorney general actions to be removed to Federal court. Mr. Chairman, this bill will injure consumers and assist those corporate defendants who simply want to game the system.

We can protect consumers from any perceived abuses in coupon settlements without adopting this assault on consumer access to full, fair, and timely justice. I urge my colleagues to reject this latest Republican miscarriage of justice. I urge my colleagues, just simply oppose this bad bill.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, once again the opponents of this bill are wrong. The gentlewoman from California (Ms. WATERS) is talking about Enron and WorldCom cases being removed to Federal court. They already are there. Both of these corporations have filed for bankruptcy. Once there is a bankruptcy filing by anybody, the cases are heard in Federal court, simple as that.

I really would hope that they get their facts straight before they attack the bill the next time.

Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. FEENEY).

Mr. FEENEY. Mr. Chairman, I want to congratulate and thank the gentleman from Wisconsin (Chairman SENSENBRENNER) and the gentleman from Virginia (Mr. GOODLATTE) for this fine bill. This is a commonsense reform of the class action process throughout the United States.

Mr. Chairman, this bill does not deny anybody access to a court or to a judge. What it does say is that lawyers that have a special relationship with a judge cannot forum shop and select their own judge; they have to have equal-handed justice. This cuts down on the lottery mentality in the court system and gives everybody the same fair and equal access.

Mr. Chairman, the Founders of our great Republic were very concerned about some forum shopping throughout the States where some States would not treat out-of-state defendants fairly, so they created diversity jurisdiction to allow Federal courts to make sure there was an even-handed array of justice.

In some States where they elect their justices, literally we have special interests, in some cases the trial lawyers, that are actually able to buy elections and have their favorite justices determine the entire constitutionality of issues because they run the supreme court.

All this bill does is to say everybody gets a fair shot at a Federal judge if there is legitimate diversity jurisdiction. It stops the lottery game in our court system.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Virginia (Mr. BOUCHER), ranking member of the Committee on the Judiciary.

Mr. SENSENBRENNER. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. BOUCHER), as well.

The CHAIRMAN. The gentleman from Virginia (Mr. BOUCHER) is recognized for 3 minutes.

Mr. BOUCHER. Mr. Chairman, I thank both gentlemen for yielding time to me. It is my pleasure to rise in support of the bill that is before us.

In the 20 years that it has been my privilege to serve in the House, the class action reform measure that is before us today is the most modest litigation reform that has been debated, and it strikes in a narrow and appropriate way at an egregious abuse and miscarriage of justice.

The bill that is before us makes procedural changes only. There are no restrictions on the substantive rights of plaintiffs. There are no caps on damages. There is no limitation on the rights of plaintiffs to recover. The bill simply permits the removal to Federal court of class actions that are national in scope, with plaintiffs living across the Nation and a large corporate defendant doing business throughout the country, even if current diversity of citizenship rules are not strictly met.

This change is much needed. Cases that are truly national in scope are being filed as State class actions before certain favored judges who employ an almost anything-goes approach that renders virtually any controversy subject to certification as a class action. Once the certification occurs, there is then a rush to settle the case. The lawyers who filed the case tend to make an offer that is very hard for the corporate defendant to refuse. They ask for large fees for themselves, typically in the millions of dollars, and then coupons are requested for the class members.

Rather than go through years of expensive litigation, the defendant settles. The judge who certified the case quickly approves the settlement. The lawyer who filed the case gets rich; the plaintiff class members he represents get virtually nothing. That is the problem. That is the abuse that this reform is designed to resolve.

This reform permits the removal of these national cases to the Federal court in the State in which the State class action is pending. In the Federal court, the rights of plaintiffs will be more carefully observed. Any settlement involving noncash compensation will be carefully reviewed to assure that it is fair. Under the bill, cases that are local in scope will remain in the State court where they are filed.

Later today I will be joining with the gentleman from Wisconsin (Mr. SENSENBRENNER) and other Members in offering an amendment that the Committee on the Judiciary and the other body adopted, originally drafted by Senator FEINSTEIN of California, that gives Federal judges greater direction in deciding which cases are national in scope and should be removed to Federal court, and which cases should remain in the State courts in which they are filed.

This is a needed reform. It is a modest remedy. It is procedural only. The rights of all plaintiffs to participate in a class action will be respected, either in State or Federal court. I am pleased to rise in support of this measure and urge its adoption in the House.

Mr. SENSENBRENNER. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. CHABOT).

Mr. CHABOT. Mr. Chairman, I rise in strong support of the Class Action Fairness Act of 2003.

Mr. Chairman, I want to thank the gentleman from Wisconsin (Chairman SENSENBRENNER) and the gentleman from Virginia (Mr. GOODLATTE) for proposing this good legislation.

As chairman of the Subcommittee on the Constitution, I welcome this opportunity to address some of the criticism that we have heard about this legislation, that it would diminish State court authority or otherwise offend basic federalism principles.

Opponents of this bill have suggested that removing a lawsuit filed in State court to Federal court deprives the State court of its right to decide matters of State law, but all State law-based actions do not presumptively belong in State court. Federal diversity jurisdiction, established by the Framers of the Constitution, allows State law-based claims to be moved from local courts to Federal courts to ensure that all parties will be able to litigate on a level playing field and to ensure that interstate commerce interests will be protected.

Additionally, the expansion of diversity included in the Class Action Fairness Act is consistent with current diversity law, since it allows Federal courts to hear large cases which have interstate implications. By nature, class actions fulfill these requirements.

Mr. Chairman, in most State law-based class actions, the proposed classes encompass residents of multiple States. Therefore, the trial court, regardless of whether it is a State or a Federal court, must interpret and apply the laws of multiple jurisdictions. It is far more appropriate for a Federal court to interpret the laws of various States as opposed to having one State court dictate the substantive laws of others States.

I strongly support this legislation and urge my colleagues to do the same.

Mr. CONYERS. Mr. Chairman, I am happy to yield 3 minutes to the gentleman from North Carolina (Mr. WATT), a distinguished member of the Committee on the Judiciary.

Mr. WATT. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I have followed my colleagues' debate about this, particularly my colleague on the Democratic

side, the gentleman from Virginia, who says that there are no substantive changes in this bill, there are only procedural changes, and that this is a modest change.

The thing that is amazing about that is the modest change is going to move a tremendous volume of cases from the State court to the Federal courts, which is exactly why the Federal judges are opposed to this.

If this is only procedural in nature, I am not sure that I, for the life of me, can understand why we are doing it. If this is only process, it would seem to me that we should be able to get the same result in the Federal court or the State court, because if we listen to what the supporters of this bill are saying, they are not making any substantive changes.

Now, I used to think that I understood my Republican colleagues when they said that they believed in States' rights, and that when we have the level of government or a judicial system that is close to the people, that is where we are likely to get the best kinds of results in cases.

Why, then, if we follow that theory, would we take all of the cases that are now being tried in State court and pick them up and move them into Federal court? For some reason, there is something wrong with that picture. They say the rights of the parties will be carefully preserved in the Federal court. I think that is what I heard my friend, the gentleman from Virginia, say. Well, does that mean that the rights of the parties for all of these years have not been carefully preserved in the State court? I thought that is what the Republican Party stood for, taking things back to the local and State level. I thought they believed in States' rights.

They said, well, if we move to Federal court, we are going to get fairness. We are going to get fairness. They have also said, for some reason, if we move the cases into Federal court we are going to get fairness. The opposite of that is if we leave them in the State court somehow we are not going to get fairness. If we are not changing the substance, then why are they doing this? Why are they doing this?

So this must be about the results that some people are getting that they are not happy with. I am telling the Members, I think if we have the same case in Federal court or State court, we ought to get the same result. That is the way it has always been, and that is the way it would be in the absence of this new bill. I encourage my colleagues to oppose the bill.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, my friend, the gentleman from North Carolina (Mr. WATT), seems to have forgotten that the civil rights laws that were passed in the 1960s were passed with Republican support because his predecessors in North Carolina would not support civil rights laws, no way, no how. Those laws took away from the States the right to ensure equal treatment of all American citizens. I am proud my party, the party of Lincoln, led the charge on that.

Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Mr. Chairman, I thank the gentleman for yielding time to me.

I thank others who have advanced this legislation, the gentleman from California (Mr. DOOLEY), the gentleman from Virginia (Mr. BOUCHER), on our side, and the gentleman from Virginia (Mr. GOODLATTE), and many others.

Mr. Chairman, we know that class actions have played a very important role in advancing progressive goals, like civil rights and consumer rights. But something has gone wrong. A lot of trial lawyers will tell us, privately, that this has to be fixed, and, You guys need to rein it in.

There is an unintended loophole in the interpretation of diversity jurisdiction. That is where we are getting the abuse. We are getting a few trial lawyers who go forum shopping, and they go into the courts of judges who are elected, oftentimes with the contributions of trial lawyers. I am not saying this alone, but The Washington Post said this in their own editorial. They know what decision they are going to get. Oftentimes, they get the thing certified before even notifying the defendants, and then they wind up settling.

□ 1300

But who gets hurt? The consumer gets hurt. And it is not just in paying higher prices for products. They get those worthless coupons. A lot of them do not even know they are members of the plaintiff class. There is any number of consumer provisions in here. It requires scrutiny of these coupon settlements. It prohibits settlements where the class members come out as losers. It bars bounties for class representatives. Settlement awards cannot be based on geography. How unfair a system to base it on where you happen to live. It requires the settlement to be put in plain English so the consumers know what they are dealing with.

This is commonsense legislation. Let us pass it.

Mr. CONYERS. Mr. Chairman, I yield 30 seconds to the gentleman from North Carolina (Mr. WATT).

Mr. WATT. Mr. Chairman, I appreciate the gentleman yielding me time.

Every time a black Member of Congress gets up to talk about an issue like this, it always becomes a race debate; but I want to tell the gentleman that he is absolutely right.

We used to file every race discrimination case in America in the Federal court, but the law allows those cases to be filed in the State courts, too. And in many cases now, because the States have started appointing judges who came out of this century as opposed to the 19th and 18th century in their racial opinions, then you can get a fair trial in the State courts. And I think you can get a fair trial in the State courts on this issue if you will let the State courts do what they are supposed to do.

Mr. CONYERS. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I just want to remind my friend, the chairman of the Committee on the Judiciary, that he was not that happy with Federal courts in the University of Michigan affirmative action case. Remember that one?

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I would like to also voice my strong opposition to this bill, H.R. 1115. This bill is worse than what we saw last year, and it would be applied retroactively to pending cases, including those brought by employees at Enron for financial fraud, Dow Chemical for environmental charges, and Wal-Mart for employment discrimination against women.

In midstream the bill would strip the rights of plaintiffs in these cases, causing expensive and wasteful interruption of their pursuit for justice and equal treatment under the law.

In the wake of corporate scandals, workers in our country have lost well over $175 billion in retirement savings. Let us look at the real facts here. In California alone, workers have lost over $18 billion in retirement savings. At a time when we should be holding corporations more accountable, not less, their bill sends the wrong message.

Congress should stand up and protect consumers, employees, pensioners, and not corporate wrongdoers. They call this the Class Action Fairness bill? I am sorry. In my language it is a mentiras. That means it is a lie.

I urge my colleagues to please vote for the Sandlin-Conners substitute.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Missouri (Mr. CLAY).

Mr. CLAY. Mr. Chairman, I thank the gentleman from Michigan (Mr. CONYERS) for yielding me time.

Mr. Chairman, I rise to oppose H.R. 1115 and in support of the Democratic substitute. There is no fairness in this so-called Class Action Fairness Act. This bill amounts to a sweeping Federal takeover of State class action lawsuits.

Instead of improving the class action litigation process, this bill guarantees that those victims of discrimination of corrupt corporate practices will be forced to wait for years for any hope of justice.

H.R. 1115 alters the constitutional distribution of judicial power by moving State class action suits into the Federal court system. This bill undermines State rights and jeopardizes civil rights. Adding cases to the already clogged Federal court system will delay hearings for all class action

cases and cause those civil rights class action cases that truly belong in the Federal courts to await behind cases that should be heard in the State court.

This misnamed bill is opposed by both Federal and State judges. It is opposed by consumer groups. It is opposed by civil rights groups. It is opposed by environmental groups. But predictably it is supported and endorsed by the big corporations. I urge my colleagues to adopt the Democratic substitute.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. INSLEE).

(Mr. INSLEE asked and was given permission to revise and extend his remarks.)

Mr. INSLEE. Mr. Chairman, Teddy Roosevelt would be spinning in his grave if he knew his party had decided to join ranks with what he referred to as the malefactors of great wealth. And that is exactly what this bill does.

It is incredible to me that some of my colleagues who support this bill come to this well and purport, say that they are on the side of consumers because they have such great sorrow and empathy for consumers. Well, you have to decide what you are on. The Consumers Federation of America knows this is a bad bill for consumers and they are against it. The Consumers Union of America knows this is a bad bill and they are against it. The Consumers for Auto Liability and Safety know this is a bad bill and they are against it. The consumers of America recognize this bill reduces their rights.

And the part that I want to focus on, and I heard one speaker refer to it as mere rhetoric that the consumers are going to get hurt, tell that to the thousands of people that are damaged by Ken Lay and Enron's depredations on them, whose lawsuit will be stayed for at least another year and a half to 2 years if this bill passes. You ought to know what side consumers are on, and in this bill they are against it.

Mr. CONYERS. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, what are the Republicans trying to hide with H.R. 1115? Who are they are trying to protect? Do the names WorldCom, Enron and Arthur Andersen strike a familiar note?

Our colleagues on the other side of the aisle are jumping up and down like rodeo dogs trying to claim that they are interested in protecting individuals. Now, is that not a fine kettle of fish?

They must mean individuals like Ken Lay, Jeff Skilling, Bernie Ebbers and the CEOs of corporate wrongdoers who enrich themselves at the expense of American families and pensioners.

Oh, now, I understand. Those are the individuals who we are protecting.

Mr. Chairman, these CEOs do not need further protections. They have the fifth amendment and they use it all the time. Individual groups, the real individual groups such as the American Cancer Society, the American Heart Association, the American Lung Association, CWA, MALDEF, National Education Association, National Women's Health Network, SEIU, United Church of Christ, NAACP, true individuals oppose this legislation. They are the ones that need protections.

Mr. Chairman, who knows more about the judicial system than the Chief Justice of the United States Supreme Court? He is opposed. How about the Judicial Conference of the United States? Opposed. How about ten attorney generals who gave a statement just yesterday? Opposed. Federal courts? Opposed. State courts? Opposed. And I find it interesting that the Republicans have now adopted the Washington Post as their spokesman.

Well, Mr. Chairman, I will see their Washington Post and raise them the Augusta Journal. I will raise them the Columbus Dispatch. I will raise them the Wilmington, North Carolina Star News. I will raise them the Salt Lake City Tribune. I will raise them the Milwaukee Journal Sentinel. The list goes on and on.

And why, oh why, did our Republican friends make this retroactive? We do not do that. Who are they trying to protect? The individuals they are claiming to be interested in? Give me a break, Mr. Chairman. Do the Republicans actually believe anyone in America will believe that the Republicans are standing up for individuals against corporate wrongdoers? And the automatic appeal? That gives Enron some extra years to destroy evidence. That is why they want that.

Make no mistake about it. Thus far it is Enron, for; the American Cancer Society, opposed. Worldcom says yes; the National Education Association, the teachers, they say no. Arthur Andersen, good; United Church of Christ and NAACP, bad.

This act should be called exactly what it is: the Corporate Wrongdoer Past, Present and Future Protection Act; and, by the way, do not forget to send the money.

Let us shred up this document. Let us shred up this piece of legislation just like the documents that the corporate wrongdoers love to destroy. That would be true justice. That is what ought to happen to this legislation.

It is improper. It is unconstitutional. Our friends on the other side know it, and the judicial system of the United States has said this should be opposed.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I wish the Democrats would get their facts straight before they come to the floor. First, any entity, individual or corporate, that is in bankruptcy is in Federal court and all claims go there: Enron, WorldCom, anybody else that is in bankruptcy.

Secondly, page 16 of the bill, which I will send over to the gentleman from Texas (Mr. SANDLIN), provides specific exemptions for the removal of class action cases to Federal court for all the types of corporate wrongdoing that he said on the floor.

Read the bill, be accurate in your arguments, and support it.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished gentleman from Detroit, Michigan (Mr. CONYERS), the ranking member, for yielding me time, and I appreciate this debate. I just wish it was longer, to be able to be more edifying of what we are talking about.

My voice is a little raspy this morning, but it seems that day after day and time after time, we come to this floor to try to keep the door of justice open.

This seems like a one-sided victory. We know they have the votes. But this is personal. And I have always been taught that when we uphold the Constitution and speak on behalf of the American people, we should remove our personal considerations. There is a fight between a few defense lawyers who have come up against worthy plaintiffs' lawyers who prevailed on behalf of class action plaintiffs in a myriad of issues, whether it is the Ford Pinto, whether it has to do with thalidomide that made babies deformed in the 1950s. These are the causes that we are talking about.

This class action legislation is an abuse of power because it undermines the tenth amendment that I have thought we respected in some instances; and that is, we leave certain issues to the States. There are 68 vacancies in the Federal court. All you need to do is kick class action lawsuits out of the State courts that have moved progressively along to allow plaintiffs to have their say, and you will have a backlog of Federal jurisdiction and docket, and you will never see the light of day.

So individuals who have been injured with respect to medical devices or other kinds of manufacturing devices and have drawn together because their resources are small will not have their day in court.

The Lawyers Committee for Civil Rights have brought up another issue. Is it because the juries are predominantly minority in many cases that you run away from justice? Let me say to my friends, justice comes in all shapes, colors, and sizes. I want to stand for justice.

Vote against this bad bill. It closes the door of justice to the American people.

Mr. Chairman, today this Chamber is considering H.R. 1115, the "Class Action Fairness Act of 2003." I oppose H.R. 1115 for several policy reasons including severe infringement on the discretion of the judiciary. I remain steadfast in my belief that this legislation is yet

another example of the legislature interfering in the affairs of the judiciary.

It is remarkable that the proponents of this legislation have always espoused the wisdom of allowing state courts and legislatures to decide for their own citizens what is best for them. They have professed that, as much as possible, the Federal government should not interfere in state business. But H.R. 1115 directly interferes with state court discretion by broadening Federal jurisdiction over state class action lawsuits.

H.R. 1115 makes severe changes to diversity jurisdiction requirements. The bill also makes substantial revisions to the rules governing aggregation of claims. Both of these changes would result in significantly more state court actions being removed to federal courts thereby overburdening the federal caseload.

H.R. 1115 also provides a party to a class action lawsuit with the right to an interlocutory appeal of the court's class certification decision provided an appeal notice is filed within 10 days. The appeal would stay discovery and other proceedings during the pendency of the appeal. This is a substantial change to Rule 23(f) which presently provides the court with discretion to allow an appeal of the class certification order without staying other proceedings. The automatic stay under H.R. 1115 provides defendants with another delaying tactic and another tool to increase the expense for plaintiffs.

These delay tactics and other provisions give a decisive advantage to well-financed corporate defendants. I am deeply concerned that if we pass H.R. 1115 we would eliminate the means by which innocent victims of corporate giants can find justice. First, I believe that before we consider this legislation, Congress should insist on receiving objective and comprehensive data justifying such a dramatic intrusion into state court prerogatives. This legislation has the potential to damage federal and state court systems. H.R. 1115 will expand federal class action jurisdiction to include most state class actions. H.R. 1115 will dramatically increase the number of cases in the already overburdened federal courts.

For example, as of February 2, 2002, there were 68 federal judicial vacancies. Judicial vacancies mean other courts must assume the workload. Assuming this additional burden contributes to federal district court judges having a backlogged docket with an average of 416 pending civil cases. These workload problems caused Supreme Court Chief Justice Rehnquist to criticize Congress for taking actions that have exacerbated the courts' workload problem.

H.R. 1115 also raises serious constitutional issues because it strips state courts of the discretion to decide when to utilize the class action format. In those cases where a federal court chooses not to certify the state class action, the bill prohibits the states from using class actions to resolve the underlying state causes of action. Federal courts have indicated in numerous decisions that efforts by Congress to dictate such state court procedures implicate important Tenth Amendment federalism issues and should be avoided. The Supreme Court has already made clear that state courts are constitutionally required to provide due process and other fairness protections to the parties in class action cases.

H.R. 1115 also adversely impacts the ability of consumers and other victims to receive compensation in cases concerning extensive damages. The bill has the potential to force state class actions into federal courts which may result in increase litigation expenses. Corporate defendants may attempt to force less-financed plaintiffs to travel great distances to participate in court proceedings. There are also added pleading costs for plaintiffs. For example, under the bill, individuals are required to plead with particularity the nature of the injuries suffered by class members in their initial complaints. The plaintiff must even prove the defendant's ''state of mind,'' such as fraud or deception, to be included in the initial complaint. This is a very high standard to impose of plaintiffs who may not yet have had the benefit of formal discovery. If the pleading requirements are not met, the judge is required to dismiss the plaintiff's complaint.

Additionally, plaintiffs under H.R. 1115 will face a far more arduous task of certifying their class actions in the federal court system. Fourteen states, representing some 29 percent of the nation's population, have adopted different criteria for class action rules than Rule 23 of the federal rules of civil procedure. Plaintiffs may also be disadvantaged by the vague terms used in the legislation, such as ''substantial majority'' of plaintiffs, ''primary defendants,'' and claims ''primarily'' governed by a state's laws, as they are entirely new and undefined phrases with no precedent in the United States Code or the case law.

Mr. Chairman, H.R. 1115 is riddled with provisions that are burdensome to potential plaintiffs and that potentially infringe on the discretion of state courts. I urge all of my colleagues to reject H.R. 1115 as it is presently written. I commend my colleagues for proposing numerous amendments to this bill and I hope that these amendments will address the gross inequities in this legislation.

Mr. CONYERS. Mr. Chairman, I yield myself the balance of my time.

The SPEAKER pro tempore. The gentleman is recognized for 2½ minutes.

(Mr. CONYERS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. CONYERS. Mr. Chairman, this bill is class warfare with a vengeance.

Here my conservative friends, Republicans, are supporting the bill that will help Enron, Ken Lay, that is right, Adelphia, WorldCom, Tyco, by making retroactive all the automatic appeal provisions. By the way, the Chambers of Commerce are enthusiastic that maybe the fourth time this will get through the Congress. The National Association of Manufacturers are for it, and so is the President of the United States. That is one side.

Now, who are the victims? All consumers groups are against the bill. All civil rights groups are against the bill. All environmental groups are against the bill. All health care groups are against the bill. All judges, Federal and State, including the Chief Justice of the Supreme Court, are against the bill.

Get the picture? We do. And so do the people in your districts from whom you are taking the right to be jurors in these trials away from.

□ 1315

Let us talk about the coupon business, because in the Democratic substitute, on page 12, section 1711, is the only corrective action to coupons, which have been cried about on this floor this morning. If there is any provision in the bill that is on the floor now about coupons that will eliminate it or make it harder to bring, I would sure like to hear about it in the closing comments; and I have a Detroit Free Press editorial that came out yesterday saying class action, the plan seems less about justice than helping business. And I will insert it and a letter from the NAACP for the RECORD at this point.

[From the Detroit Free Press, June 11, 2003]

CLASS ACTION: PLAN SEEMS LESS ABOUT JUSTICE THAN HELPING BUSINESS

Now don't go making a federal case of it . . .

That old expression is a good one to direct at Congress, since the House and Senate appear to be racing each other to pass bills that would discourage class-action lawsuits by shifting them from state courts to the federal system. This is an interesting tack for a lot of conservative lawmakers who profess to want less federal involvement in American lives. Federal judges, already buckling under case overload, are opposed to it. So are state judges. Consumer groups see the bills as an overkill remedy for a system that's already being repaired by judicial initiatives.

Class-action suits allow one or a few people to seek damages for hundreds or even thousand of individuals who may have been affected by a bad product or policy. They are, understandably, the bane of big business and have been outrageously lucrative to some lawyers. But they also have produced changes in dangerous products or practices and held companies accountable.

Shifting such suits to federal courts sets up new procedural hurdles, appeal possibilities, and delays even before the merits of a claim are addressed. Even suits in which the entire ''class'' of potentially harmed people resides in the same state as the company being sued would be moved to the federal system, where cases languish years longer than in state courts.

The House version of the legislation is particularly offensive because it is retroactive, meaning it would affect class-action claims now pending against Enron, WorldCom, Adelphia and other corporations accused of defrauding investors while their executives made millions of dollars.

Supporters will say these bills are about reforming a bad process. What they really are about is discouraging a legitimate right to seek redress for wrongdoing—without making a federal case of it.

NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE,
Washington, DC, June 11, 2003.

MEMBERS,
House of Representatives,
Washington, DC.

RE: OPPOSE H.R. 1115 CLASS ACTION LAWSUIT LEGISLATION

DEAR REPRESENTATIVE: on behalf of the NAACP, our nation's oldest, largest and most widely-recognized grassroots civil rights organization, I urge you, in the strongest terms possible, to oppose H.R. 1115, the so-called ''Class Action Fairness Act of 2003'', legislation that would substantially

alter the constitutional distribution of judicial power and have a severely negative impact on the struggle for civil rights in this country.

Class action lawsuits are essential to the enforcement of our nation's civil rights and voting rights laws. They are often the only means by which individuals can challenge and obtain relief from systemic discrimination. Indeed, federal class actions were designed to accommodate, and have served as a primary vehicle for, civil rights litigation seeking broad equitable relief.

The proposed legislation, if enacted, would remove most state law class actions into federal court; clog the federal courts with state law cases and make it more difficult to have federal civil rights cases heard; deter people from bringing class actions; and impose barriers and burdens on settlement of class actions. The pending legislation would also discourage people from bringing class actions by prohibiting settlements that provide named plaintiffs full relief for their claims and would impose new, burdensome delay tactics for all class actions by automatically allowing a defendant to appeal any class certification in federal court and staying all the proceedings while the appeal is pending.

I urge you again, in the strongest terms possible, to oppose H.R. 1115, the so-called ''Class Action Fairness Act of 2003'' if and when it comes before you. If enacted, its impact would be profound, and it would result in new and substantial limitations on access to the courts for victims of discrimination. Should you have any questions about the NAACP position, please feel free to contact me at (202) 638–2269. Thank you for your attention.

Sincerely,

HILARY O. SHELTON,
Director.

My colleagues may get a Tyco and Enron out of jail with this delay, but they are not going to get this bill through the Federal legislative body.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, this country has a crisis in manufacturing. Particularly, small- and medium-sized manufacturing jobs are going overseas by the droves, particularly to China, and there are a whole lot of reasons for that; but one of the reasons is a judicial system that is out of control.

My colleagues can talk about business, but it is business that creates the jobs that hire our constituents who pay the taxes to make the government run; and by having court reform, which is what this bill does, it is not tort reform because nobody's rights to a jury trial or to get into a court are constricted by one iota. It is where this is done and how class actions get certified and protections for consumers such as the coupon settlements and the deficiency judgments that are entered against class members.

This is going to help keep America's economy vibrant. Pass the bill.

Mr. STARK. I rise today to oppose this misguided legislation. Don't be fooled by the title of this bill. It would lead some to believe that Congress is standing up for the average American—modifying certain inequities in our judicial system. Instead, it is a Republican sponsored hoax unfairly threatening the very people we are all elected to protect.

I don't think that the American public would be satisfied knowing that if H.R. 1115 passes, the accountability of such companies as Enron, WorldCom, and Arthur Anderson and pharmaceutical giants like Eli Lilly, Aventis Pasteur and Abbott laboratories would be held less responsible in pending class action cases againt them. This bill will adversely affect low-income groups and consumers to effectively assert their rights against large corporations.

Why should corporations reap the benefits of our judicial system by avoiding civil penalties? They are the ones committing crimes. The intent of pursuing a class action suit in court allows redress for average Americans financially unable to launch a judicial battle on their own. Class action suits empower consumers to challenge wrongdoings by wealthy corporations who would otherwise ignore their appeal.

We know that truthful law-abiding citizens are the ones who will lose if this bill becomes law. Apparently, in America today, you must contribute a significant amount to the Republican Party's campaign pocketbook to be considered protected under the law. This bill certainly protects major Republican campaign contributors—too bad for all the average working people who are left behind.

I ask my colleagues to stand up for real people and vote against H.R. 1115.

Mr. BLUMENAUER. Mr. Chairman, the pages of our newspapers have been filled with accounts of corporate abuse of investors and consumers. Part of the reason Oregon has the highest unemployment rate in America for over a year is the result of the Enron scandal and the California energy crisis. To make it harder for Oregonians who have been abused to seek legal redress is nothing short of outrageous.

This legislation would severely undermine the ability of Americans to seek relief from activities that harm consumers, the environment and public health. We should be working in Congress to help mend the relationship between corporations and the American public, rather than promote measures like this which will make it more difficult for injured consumers to bring class-action lawsuits.

By allowing corporations to move most class-action lawsuits from state courts, where they properly belong, into already overburdened federal courts and by imposing new procedural hurdles, the measure would delay, if not deny, justice to plaintiffs in legitimate class-action lawsuits. The federal courts have fewer than 1,500 judges compared to more than 30,000 judges currently serving on state courts. Thousands of class actions lawsuits spending in state courts around the country would be added to the federal docket under H.R. 1115 because of its retroactivity provision.

This legislation would also dilute the right of consumers to bring class action lawsuits against the firearms industry. Firearms are one of the only consumer products not subject to federal consumer safety regulation. Citizen lawsuits—including class actions—are one of the only incentives for the firearms industry to act responsibly.

We should not take away this important tool for the American public to protect their rights and secure compensation for their injuries and losses.

Ms. SCHAKOWSKY. Mr. Chairman, I rise today in opposition to H.R. 1115, the so-called Class Action Fairness Act. This bill is actually unfair to consumers because it would make it more difficult, more expensive, and more time-consuming for Americans with legitimate claims to access justice in class-action lawsuits. Instead, this bill rewards corporate wrongdoers and companies that fail to avoid dangerous practices and refuse to remove faulty products from store shelves.

Class action suits are an invaluable asset to consumers and all who engage in business of any kind. No one is immune from potentially being treated unfairly, being discriminated against, being taken advantage of, or being cheated. However, those who are victims are often those with no voice and no resources to fight back. But class action suits allow them to join with hundreds of others who have suffered the same harm and, together, become a strong voice for justice. In many cases, class action lawsuits are the only way that those who have been harmed can be heard and have their day in court.

Unfortunately, this bill would make most class action suits and the empowerment they provide to consumers a thing of the past. We've seen this bill repeatedly in the past, and we're seeing it again today because the Republicans will stop at nothing to protect their big money corporate supporters—those who get them elected—from being held accountable for their actions. This is especially evident in the bill before us today which goes further than the Republican class action bills of the past by making the legislation retroactive! If passed, this bill would apply to pending class actions, including the cases against Enron and WorldCom for financial fraud, Dow Chemical for environmental damage, Wal-Mart for employment discrimination, and Eli Lilly, GlaxoSmithKline, Abbott Laboratories and others for autism and other neurological damage.

This bill would change the rules midstream. While a class action has been filed against Enron by retirees, this class has yet to be certified. Under this bill, Enron for the first time would be given the opportunity to make an immediate appeal of any court decision granting class certification. The result could be a hold on all proceedings, including investigations to make discoveries of evidence, while the appeal was pending. This is an unwarranted, expensive, and wasteful use of time, and all while Enron retirees sit and wait for a decision regarding their retirement funds. This is not compassionate and not fair.

This bill looks the other way as workers are taken advantage of by big corporations, as patients are abused by HMOs, and as the environment continues to suffer damage from big polluters. In such a claim, it is critical that people have access to justice. This bill takes away that access and protects those who will continue to do harm. Republicans are committing fraud against the American people by proposing this bill, and I urge my colleagues to oppose H.R. 1115.

Mr. POMEROY. Mr. Chairman, I rise in reluctant opposition to H.R. 1115, the Class Action Fairness Act.

Our system of class action litigation is in dire need of reform. Most class action cases are national in scope and should be heard in federal court, where like claims may be combined and uniform decisions rendered. Under the current system, however, these interstate suits are often filed in state or country court, where the decision of a local judge and jury may affect the laws of all 50 states. As a former state insurance commissioner, I am

deeply troubled that a jury panel in a class action case in Mississippi or New Mexico could effectively overturn state regulations in my home state of North Dakota.

In addition, by allowing interstate class action claims to be filed in any of the thousands of local courts across the country, the likelihood is increased that a plaintiffs lawyer will find at least one judge who is willing to entertain a claim that most people would consider to be without merit. Once a sympathetic judge is found, the plaintiffs' attorney can leverage nationwide settlements that all too often provide little benefit to the actual plaintiffs but enormous benefit to the attorney.

I support the amendment brought forward by Representatives SENSENBRENNER, BOUCHER, DOOLEY, STENHOLM, and TERRY, that incorporates the so-called ''Feinstein Amendment.'' Through this amendment, class action suits would be apportioned to federal or state courts depending on the domicile of the plaintiffs. I believe that the Feinstein Amendment addressed an important criticism to the bill in that it would leave lawsuits that are clearly of local concern, with state courts.

However, I was disheartened to learn that an amendment that would effectively strike the retroactivity provision in the bill was ruled out-of-order and will not be brought forward for a vote here today. This provision would unfairly apply the new law to cases already filed in state courts, but not granted class certification. It sets bad public policy because it changes the rules for injured Plaintiffs in the middle of the game. I understand that this provision was added during Committee debate of the bill and was added at the urging of a special interest. Such political favoring produces bad policy that I cannot support. Therefore, I cannot support class action reform that retroactively applies to active cases.

We have not heard the last of this issue. I look forward to continuing to work on this issue so that we can finally reform the class action system.

Mr. BACA. Mr. Chairman, I rise in opposition to H.R. 1115, the Class Action Fairness Act of 2003.

H.R. 1115 is just another attempt by Republicans to deny people their fair day in court. Once again, they are siding with Goliath at the expense of David. They are siding with the big corporate interests at the expense of the public interest. They are siding with their campaign contributors at the expense of the American people.

This legislation is unfair to consumers. It wrongly limits the authority of State courts, bogs down Federal courts, and makes it more difficult for consumer claims to be heard. This is a deliberate attempt b7 conservatives to protect big businesses like WorldCom, Arthur Andersen and Enron.

When a company violates the rights of consumers, consumers are entitled to have their claim go before a judge and jury in a timely manner. Republicans would love to be the judge and jury in these cases, siding with and protecting their corporate friends. But that's not the way it works.

In my home state, the University of California pension plan lost $353 million as a result of the WorldCom accounting scandal. Like many other Americans, they were victims of the fraudulent activities of Arthur Andersen.

Under H.R. 1115, the University of California would have been prevented from having their day in a State court. Instead, the suit would have been moved to Federal court, causing terrible delays and hurting those Californians who depended on their pensions.

The people of California and all across this nation deserve to have fair and easy access to a speedy judicial system.

This legislation places huge barriers in the path of consumers. It limits the rights of consumers, undermines the authority of state courts, and increases the burden on federal courts.

That sound you hear is the sound of big business applauding this legislation. They appreciate the additional time this bill would give them to shred documents, destroy evidence and cause harm to hard-working Californians and to all Americans.

It simply isn't fair and we must do more to protect our consumers.

Mr. SENSENBRENNER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1115

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Class Action Fairness Act of 2003''.

(b) REFERENCE.—Whenever in this Act reference is made to an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 28, United States Code.

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

Sec. 1. Short title; reference; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Consumer class action bill of rights and improved procedures for interstate class actions.
Sec. 4. Federal district court jurisdiction of interstate class actions.
Sec. 5. Removal of interstate class actions to Federal district court.
Sec. 6. Appeals of class action certification orders.
Sec. 7. Enactment of Judicial Conference recommendations.
Sec. 8. Effective date.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds as follows:

(1) Class action lawsuits are an important and valuable part of our legal system when they permit the fair and efficient resolution of legitimate claims of numerous parties by allowing the claims to be aggregated into a single action against a defendant that has allegedly caused harm.

(2) Over the past decade, there have been abuses of the class action device that have—

(A) harmed class members with legitimate claims and defendants that have acted responsibly;

(B) adversely affected interstate commerce; and

(C) undermined public respect for the judicial system in the United States.

(3) Class members have been harmed by a number of actions taken by plaintiffs' lawyers, which provide little or no benefit to class members as a whole, including—

(A) plaintiffs' lawyers receiving large fees, while class members are left with coupons or other awards of little or no value;

(B) unjustified rewards being made to certain plaintiffs at the expense of other class members; and

(C) the publication of confusing notices that prevent class members from being able to fully understand and effectively exercise their rights.

(4) Through the use of artful pleading, plaintiffs are able to avoid litigating class actions in Federal court, forcing businesses and other organizations to defend interstate class action lawsuits in county and State courts where—

(A) the lawyers, rather than the claimants, are likely to receive the maximum benefit;

(B) less scrutiny may be given to the merits of the case; and

(C) defendants are effectively forced into settlements, in order to avoid the possibility of huge judgments that could destabilize their companies.

(5) These abuses undermine the Federal judicial system, the free flow of interstate commerce, and the intent of the framers of the Constitution in creating diversity jurisdiction, in that county and State courts are—

(A) handling interstate class actions that affect parties from many States;

(B) sometimes acting in ways that demonstrate bias against out-of-State defendants; and

(C) making judgments that impose their view of the law on other States and bind the rights of the residents of those States.

(6) Abusive interstate class actions have harmed society as a whole by forcing innocent parties to settle cases rather than risk a huge judgment by a local jury, thereby costing consumers billions of dollars in increased costs to pay for forced settlements and excessive judgments.

(b) PURPOSES.—The purposes of this Act are—

(1) to assure fair and prompt recoveries for class members with legitimate claims;

(2) to protect responsible companies and other institutions against interstate class actions in State courts;

(3) to restore the intent of the framers of the Constitution by providing for Federal court consideration of interstate class actions; and

(4) to benefit society by encouraging innovation and lowering consumer prices.

SEC. 3. CONSUMER CLASS ACTION BILL OF RIGHTS AND IMPROVED PROCEDURES FOR INTERSTATE CLASS ACTIONS.

(a) IN GENERAL.—Part V is amended by inserting after chapter 113 the following:

''CHAPTER 114—CLASS ACTIONS

''Sec.
''1711. Judicial scrutiny of coupon and other noncash settlements.
''1712. Protection against loss by class members.
''1713. Protection against discrimination based on geographic location.
''1714. Prohibition on the payment of bounties.
''1715. Definitions.

''§ 1711. Judicial scrutiny of coupon and other noncash settlements

''The court may approve a proposed settlement under which the class members would receive noncash benefits or would otherwise be required to expend funds in order to obtain part or all of the proposed benefits only after a hearing to determine whether, and making a written finding that, the settlement is fair, reasonable, and adequate for class members.

''§ 1712. Protection against loss by class members

''The court may approve a proposed settlement under which any class member is obligated to pay sums to class counsel that would result in a net loss to the class member only if the court

makes a written finding that nonmonetary benefits to the class member outweigh the monetary loss.

"§ 1713. Protection against discrimination based on geographic location

''The court may not approve a proposed settlement that provides for the payment of greater sums to some class members than to others solely on the basis that the class members to whom the greater sums are to be paid are located in closer geographic proximity to the court.

"§ 1714. Prohibition on the payment of bounties

''(a) IN GENERAL.—The court may not approve a proposed settlement that provides for the payment of a greater share of the award to a class representative serving on behalf of a class, on the basis of the formula for distribution to all other class members, than that awarded to the other class members.

''(b) RULE OF CONSTRUCTION.—The limitation in subsection (a) shall not be construed to prohibit any payment approved by the court for reasonable time or costs that a person was required to expend in fulfilling his or her obligations as a class representative.

"§ 1715. Definitions

''In this chapter—

''(1) CLASS ACTION.—The term 'class action' means any civil action filed in a district court of the United States pursuant to rule 23 of the Federal Rules of Civil Procedure or any civil action that is removed to a district court of the United States that was originally filed pursuant to a State statute or rule of judicial procedure authorizing an action to be brought by one or more representatives on behalf of a class.

''(2) CLASS COUNSEL.—The term 'class counsel' means the persons who serve as the attorneys for the class members in a proposed or certified class action.

''(3) CLASS MEMBERS.—The term 'class members' means the persons who fall within the definition of the proposed or certified class in a class action.

''(4) PLAINTIFF CLASS ACTION.—The term 'plaintiff class action' means a class action in which class members are plaintiffs.

''(5) PROPOSED SETTLEMENT.—The term 'proposed settlement' means an agreement that resolves claims in a class action, that is subject to court approval, and that, if approved, would be binding on the class members.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of chapters for part V is amended by inserting after the item relating to chapter 113 the following:

"114. Class Actions ..... 1711".

SEC. 4. FEDERAL DISTRICT COURT JURISDICTION OF INTERSTATE CLASS ACTIONS.

(a) APPLICATION OF FEDERAL DIVERSITY JURISDICTION.—Section 1332 is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

''(d)(1) In this subsection—

''(A) the term 'class' means all of the class members in a class action;

''(B) the term 'class action' means any civil action filed pursuant to rule 23 of the Federal Rules of Civil Procedure or similar State statute or rule of judicial procedure authorizing an action to be brought by one or more representative persons on behalf of a class;

''(C) the term 'class certification order' means an order issued by a court approving the treatment of a civil action as a class action; and

''(D) the term 'class members' means the persons who fall within the definition of the proposed or certified class in a class action.

''(2) The district courts shall have original jurisdiction of any civil action in which the matter in controversy exceeds the sum or value of $2,000,000, exclusive of interest and costs, and is a class action in which—

''(A) any member of a class of plaintiffs is a citizen of a State different from any defendant;

''(B) any member of a class of plaintiffs is a foreign state or a citizen or subject of a foreign state and any defendant is a citizen of a State; or

''(C) any member of a class of plaintiffs is a citizen of a State and any defendant is a foreign state or a citizen or subject of a foreign state.

''(3) Paragraph (2) shall not apply to any civil action in which—

''(A)(i) the substantial majority of the members of the proposed plaintiff class and the primary defendants are citizens of the State in which the action was originally filed; and

''(ii) the claims asserted therein will be governed primarily by the laws of the State in which the action was originally filed;

''(B) the primary defendants are States, State officials, or other governmental entities against whom the district court may be foreclosed from ordering relief; or

''(C) the number of proposed plaintiff class members is less than 100.

''(4) In any class action, the claims of the individual class members shall be aggregated to determine whether the matter in controversy exceeds the sum or value of $2,000,000, exclusive of interest and costs.

''(5) This subsection shall apply to any class action before or after the entry of a class certification order by the court with respect to that action.

''(6)(A) A district court shall dismiss any civil action that is subject to the jurisdiction of the court solely under this subsection if the court determines the action may not proceed as a class action based on a failure to satisfy the requirements of rule 23 of the Federal Rules of Civil Procedure.

''(B) Nothing in subparagraph (A) shall prohibit plaintiffs from filing an amended class action in Federal court or filing an action in State court, except that any such action filed in State court may be removed to the appropriate district court if it is an action of which the district courts of the United States have original jurisdiction.

''(C) In any action that is dismissed under this paragraph and is filed by any of the original named plaintiffs therein in the same State court venue in which the dismissed action was originally filed, the limitations periods on all reasserted claims shall be deemed tolled for the period during which the dismissed class action was pending. The limitations periods on any claims that were asserted in a class action dismissed under this paragraph that are subsequently asserted in an individual action shall be deemed tolled for the period during which the dismissed action was pending.

''(7) Paragraph (2) shall not apply to any class action brought by shareholders that solely involves a claim that relates to—

''(A) a claim concerning a covered security as defined under section 16(f)(3) of the Securities Act of 1933 and section 28(f)(5)(E) of the Securities Exchange Act of 1934;

''(B) the internal affairs or governance of a corporation or other form of business enterprise and arises under or by virtue of the laws of the State in which such corporation or business enterprise is incorporated or organized; or

''(C) the rights, duties (including fiduciary duties), and obligations relating to or created by or pursuant to any security (as defined under section 2(a)(1) of the Securities Act of 1933 and the regulations issued thereunder).

''(8) For purposes of this subsection and section 1453 of this title, an unincorporated association shall be deemed to be a citizen of the State where it has its principal place of business and the State under whose laws it is organized.

''(9) For purposes of this section and section 1453 of this title, a civil action that is not otherwise a class action as defined in paragraph (1)(B) of this subsection shall nevertheless be deemed a class action if—

''(A) the named plaintiff purports to act for the interests of its members (who are not named parties to the action) or for the interests of the general public, seeks a remedy of damages, restitution, disgorgement, or any other form of monetary relief, and is not a State attorney general; or

''(B) monetary relief claims in the action are proposed to be tried jointly in any respect with the claims of 100 or more other persons on the ground that the claims involve common questions of law or fact.

In any such case, the persons who allegedly were injured shall be treated as members of a proposed plaintiff class and the monetary relief that is sought shall be treated as the claims of individual class members. The provisions of paragraphs (3) and (6) of this subsection and subsections (b)(2) and (d) of section 1453 shall not apply to civil actions described under subparagraph (A). The provisions of paragraph (6) of this subsection, and subsections (b)(2) and (d) of section 1453 shall not apply to civil actions described under subparagraph (B).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1335(a)(1) is amended by inserting ''(a) or (d)'' after ''1332''.

(2) Section 1603(b)(3) is amended by striking ''(d)'' and inserting ''(e)''.

SEC. 5. REMOVAL OF INTERSTATE CLASS ACTIONS TO FEDERAL DISTRICT COURT.

(a) IN GENERAL.—Chapter 89 is amended by adding after section 1452 the following:

"§ 1453. Removal of class actions

''(a) DEFINITIONS.—In this section, the terms 'class', 'class action', 'class certification order', and 'class member' have the meanings given these terms in section 1332(d)(1).

''(b) IN GENERAL.—A class action may be removed to a district court of the United States in accordance with this chapter, without regard to whether any defendant is a citizen of the State in which the action is brought, except that such action may be removed—

''(1) by any defendant without the consent of all defendants; or

''(2) by any plaintiff class member who is not a named or representative class member without the consent of all members of such class.

''(c) WHEN REMOVABLE.—This section shall apply to any class action before or after the entry of a class certification order in the action, except that a plaintiff class member who is not a named or representative class member of the action may not seek removal of the action before an order certifying a class of which the plaintiff is a class member has been entered.

''(d) PROCEDURE FOR REMOVAL.—The provisions of section 1446 relating to a defendant removing a case shall apply to a plaintiff removing a case under this section, except that in the application of subsection (b) of such section the requirement relating to the 30-day filing period shall be met if a plaintiff class member files notice of removal within 30 days after receipt by such class member, through service or otherwise, of the initial written notice of the class action.

''(e) REVIEW OF ORDERS REMANDING CLASS ACTIONS TO STATE COURTS.—The provisions of section 1447 shall apply to any removal of a case under this section, except that, notwithstanding the provisions of section 1447(d), an order remanding a class action to the State court from which it was removed shall be reviewable by appeal or otherwise.

''(f) EXCEPTION.—This section shall not apply to any class action brought by shareholders that solely involves—

''(1) a claim concerning a covered security as defined under section 16(f)(3) of the Securities Act of 1933 and section 28(f)(5)(E) of the Securities Exchange Act of 1934;

''(2) a claim that relates to the internal affairs or governance of a corporation or other form of business enterprise and arises under or by virtue of the laws of the State in which such corporation or business enterprise is incorporated or organized; or

''(3) a claim that relates to the rights, duties (including fiduciary duties), and obligations relating to or created by or pursuant to any security (as defined under section 2(a)(1) of the Securities Act of 1933 and the regulations issued thereunder).''.

(b) REMOVAL LIMITATION.—Section 1446(b) is amended in the second sentence by inserting ''(a)'' after ''section 1332''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—The table of sections for chapter 89 is amended by adding after the item relating to section 1452 the following:

''1453. Removal of class actions.''.

SEC. 6. APPEALS OF CLASS ACTION CERTIFICATION ORDERS.

(a) IN GENERAL.—Section 1292(a) is amended by inserting after paragraph (3) the following:

''(4) Orders of the district courts of the United States granting or denying class certification under rule 23 of the Federal Rules of Civil Procedure, if notice of appeal is filed within 10 days after entry of the order.''.

(b) DISCOVERY STAY.—All discovery and other proceedings shall be stayed during the pendency of any appeal taken pursuant to the amendment made by subsection (a), unless the court finds upon the motion of any party that specific discovery is necessary to preserve evidence or to prevent undue prejudice to that party.

SEC. 7. ENACTMENT OF JUDICIAL CONFERENCE RECOMMENDATIONS.

Notwithstanding any other provision of law, the amendments to Rule 23 of the Federal Rules of Civil Procedure which are embraced by the order entered by the Supreme Court of the United States on March 27, 2003, shall take effect on the date of the enactment of this Act or on December 1, 2003 (as specified in that order), whichever occurs first.

SEC. 8. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by this Act shall apply to—

(1) any civil action commenced on or after the date of the enactment of this Act; and

(2) any civil action commenced before such date of enactment in which a class certification order (as defined in section 1332(d)(1)(C) of title 28, United States Code, as amended by section 4 of this Act) is entered on or after such date of enactment.

(b) FILING OF NOTICE OF REMOVAL.—In the case of any civil action to which subsection (a)(2) applies, the requirement relating to the 30-day period for the filing of a notice of removal under section 1446(b) and section 1453(d) of title 28, United States Code, shall be met if the notice of removal is filed within 30 days after the date on which the class certification order referred to in subsection (a)(2) is entered.

The CHAIRMAN. No amendment to the committee amendment is in order except those printed in House Report 108–148. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House Report 108–148.

AMENDMENT NO. 1 OFFERED BY MR. SENSENBRENNER

Mr. SENSENBRENNER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. SENSENBRENNER:

In section 1332(d) of title 28, United States Code, as proposed to be inserted by section 4(a)(2) of the bill—

(1) in paragraph (2), strike ''$2,000,000'' and insert ''$5,000,000'';

(2) redesignate paragraphs (4) through (9) as paragraphs (5) through (10), respectively;

(3) strike paragraph (3) and insert the following:

''(3) A district court may, in the interests of justice, decline to exercise jurisdiction under paragraph (2) over a class action in which greater than one-third but less than two-thirds of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed based on consideration of the following factors:

''(A) Whether the claims asserted involve matters of national or interstate interest.

''(B) Whether the claims asserted will be governed by laws other than those of the State in which the action was originally filed.

''(C) In the case of a class action originally filed in a State court, whether the class action has been pleaded in a manner that seeks to avoid Federal jurisdiction.

''(D) Whether the number of citizens of the State in which the action was originally filed in all proposed plaintiff classes in the aggregate is substantially larger than the number of citizens from any other State, and the citizenship of the other members of the proposed class is dispersed among a substantial number of States.

''(E) Whether 1 or more class actions asserting the same or similar claims on behalf of the same or other persons have been or may be filed.

''(4) Paragraph (2) shall not apply to any class action in which—

''(A) two-thirds or more of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed;

''(B) the primary defendants are States, State officials, or other governmental entities against whom the district court may be foreclosed from ordering relief; or

''(C) the number of members of all proposed plaintiff classes in the aggregate is less than 100.'';

(4) in paragraph (5), as so redesignated, strike ''$2,000,000'' and insert ''$5,000,000''; and

(5) in paragraph (10), as so redesignated—

(A) in the third sentence, strike ''paragraphs (3) and (6)'' and insert ''paragraph (7)''; and

(B) in the last sentence, strike ''(6)'' and insert ''(7)''.

The CHAIRMAN. Pursuant to House Resolution 269, the gentleman from Wisconsin (Mr. SENSENBRENNER) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bipartisan amendment is intended to mirror the amendment offered by Senator FEINSTEIN over in the other body. It is in keeping with the spirit and intent of the bill and would slightly broaden the category of class action cases that would remain in State court in two ways.

First, the amendment raises the aggregate amount and controversy required for Federal jurisdiction from $2 million to $5 million. Second, it allows Federal courts discretion to return intrastate class actions in which local law governs the State courts after weighing five factors to determine the case is appropriately of a local character.

This discretion would come into play when between one-third and two-thirds of the plaintiffs are citizens of the same State as the primary defendants. If less than one-third are citizens of the same State, the case would automatically be eligible for Federal court jurisdiction under the new diversity rules in the bill. Likewise, if more than two-thirds are citizens of the same State, the case would not be subject to the new rules in this bill and would remain in State court.

I urge my colleagues to adopt this amendment to help speed passage of this important legislation.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. Who seeks time in opposition to the amendment?

Mr. CONYERS. Mr. Chairman, I do.

The CHAIRMAN. The gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Chairman, I yield myself 2 minutes.

(Mr. CONYERS asked and was given permission to revise and extend his remarks.)

Mr. CONYERS. Mr. Chairman, this is to celebrate the gentlewoman, the Senior Senator from California Day in addition to Attorney Bashing Day. We have a letter from the senior Senator of California, which says she is opposed to the bill and why she is. So what we have here is a Feinstein-lite or a fake Feinstein here.

I do not know what we are trying to do here, but this attempt to fix the class action bill creates, as I expected, more confusion and does not deal with the real defects in the bill.

Her letter says: ''As I said in committee before this amendment was adopted, I will not support any class action legislation that moves those suits to Federal court.''

So we have the senior Senator from California saying that this is a class action bill, and there has been general agreement that we need reform on class actions; but these provisions in the bill do not relate to class actions.

This is far from a done deal. I do not think we correct the basic defects in the bill; and since this is Feinstein-lite, I am going to reject the amendment that I am sure is made in good faith by the chairman of the Committee on the Judiciary.

I include the letter from Senator FEINSTEIN in the RECORD at this point.

JUNE 11, 2003.

Hon. RICK BOUCHER,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN BOUCHER: I wanted to clarify several issues with regard to S.274, the Class Action Fairness Act, and two

Amendments I offered to it in the Senate Judiciary Committee. During House consideration of H.R. 1115, there has been some misunderstanding about my position. I thought a clarification might be helpful to you in your deliberations.

During Committee consideration of S.274, I offered an amendment to raise the amount in controversy to $5 million and to set specific criteria based on a percentage formula to determine whether certain intrastate cases should be heard in state or federal court. This is what has popularly become known as the ''Feinstein Amendment.'' It is my understanding that Chairman Sensenbrenner and a number of Democrats plan to offer this as an amendment to H.R. 1115 on the House floor, and of course, I support its inclusion.

I also co-authored an amendment with Senator Specter to strike a provision from the bill that would have made certain citizen suits and ''private attorney general'' actions removable to Federal Court as well. I felt strongly then, and I feel strongly now, that such suits—particularly those brought under Section 17200 of the California Business and Professional Code—properly belong in state court and should not be classified as class actions under the bill. As I said in Committee before this amendment was adopted, I will not support any class action legislation that moves those suits to federal court.

Senators Specter's amendment also, however, struck a provision from the bill that would make so-called ''Mass Actions'' subject to the same removal provisions in the bill that apply to class actions. That was not my concern, and in fact I believe that truly national ''Mass Actions'' should be removable to Federal Court under the same procedures as class actions.

I hope this clarifies some of my views on this matter. I appreciate your concerns about this important legislation and welcome you to contact me or to have your staff contact my Chief Counsel, David Hantman, at 224–4933 if you have further questions.

Sincerely,

DIANNE FEINSTEIN.

Mr. Chairman, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 15 seconds.

What the gentleman from Michigan is saying is this is a good amendment but not good enough. I think if it is a good amendment, it ought to be supported; and I know my cosponsor, the gentleman from Virginia (Mr. BOUCHER), will tell us it is a very good amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. BOUCHER).

Mr. BOUCHER. Mr. Chairman, I thank the gentleman from Wisconsin for yielding me the time and for his willingness to accept the amendment that was drafted by Senator FEINSTEIN of California, which was approved by the Committee on the Judiciary of the other body when that committee reported class action fairness legislation.

We are joined in offering this amendment by the gentleman from Virginia (Mr. GOODLATTE), the gentleman from Virginia (Mr. MORAN), the gentleman from California (Mr. DOOLEY), the gentleman from Texas (Mr. STENHOLM), and the gentleman from Nebraska (Mr. TERRY); and I thank them for their cosponsorship as well.

Under the approach of the bill, only cases that are filed as State class actions which are national in scope will be removable to Federal court, notwithstanding the absence of complete diversity of citizenship. Cases that are local in nature will remain in the State courts where they are filed.

Senator FEINSTEIN's amendment, which is the same as the amendment we are now offering, gives Federal judges clear directions in determining which cases are national in character and which are local. Under this test, if two-thirds of the members of the plaintiff class reside outside of the State and at least one of the primary defendants resides outside of the State, the case is deemed to be national in scope and can be removed to Federal court. By contrast, if two-thirds of the plaintiffs and the primary defendants are residents of the foreign State, the case is local and will remain in State court.

There is a middle category of cases in which more than one-third and less than two-thirds of plaintiffs are residents of the foreign State, and in these instances the amendment directs the Federal judge to weigh five specific criteria that will be set forth in the statute in order to determine whether the case is national or local in character. This approach will promote a higher degree of uniformity among the Federal districts in the application of the new law and assure that local class actions remain in State courts.

The amendment also raises from $2 million to $5 million the aggregate jurisdictional amount for removals under the bill, assuring that cases which are of lesser value remain in the State courts.

The amendment is a useful addition to the bill, and I urge its adoption.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, the name of the senior Senator from California, Ms. FEINSTEIN, has been bandied about on both sides of the aisle; and she has sent a letter to the gentleman from Virginia (Mr. BOUCHER), which says in part: ''It is my understanding that Chairman SENSENBRENNER and a number of Democrats plan to offer this as an amendment to H.R. 1115 on the House floor, and of course, I support its inclusion.''

Mr. Chairman, I yield back the balance of my time.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. DOOLEY).

(Mr. DOOLEY of California asked and was given permission to revise and extend his remarks.)

Mr. DOOLEY of California. Mr. Chairman, I rise in support of the amendment and the bill.

Mr. Chairman, over the last decade, elements of the class action litigation system have gone terribly wrong. H.R. 1115 is a moderate, sensible measure. This bill is not tort reform. This legislation makes a common sense correction in Federal law so that large, multistate class action lawsuits can be heard in Federal court. Cases that are national in scope should be decided by courts that represent the nation at large, not individual county courts, where oftentimes, judges are elected by the very trial lawyers who are bringing suits to their courtroom.

This bill does not take away anyone's right to file a class action. This bill does not cap damages. This bill is a process improvement.

Chairman SENSENBRENNER has worked with Democrats to improve the bill and make key changes to include a provision crafted by Senator DIANNE FEINSTEIN that keeps a single state case in that state's courts, not Federal court.

On February 10th 2003, the American Bar Association's House of Delegates overwhelmingly endorsed a resolution of the ABA's Class Action Task Force, voicing qualified support for the principle of expanded Federal jurisdiction over class actions.

That is precisely what this bill accomplishes.

H.R. 1115 is the only proposal on the table that will curb abuse.

Vote ''yes'' on Final Passage. Vote ''yes'' on the Sensenbrenner, Boucher, Moran, Dooley, Stenholm, Terry amendment.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to my good friend, the gentleman from Texas (Mr. STENHOLM).

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I rise in support of this amendment, and I commend the gentleman from Wisconsin (Chairman SENSENBRENNER) and the gentleman from Virginia (Chairman GOODLATTE) and the gentleman from Virginia (Mr. BOUCHER) for their work on this bill and the amendment.

Mr. Chairman, I rise in support of this amendment and the underlying bill. As one who often comes to this well to express frustration at the unwillingness of the other side of the aisle to work with members on this side, I am extremely pleased to come to the floor in support of this bipartisan amendment which reflects the input of several members on this side of the aisle.

I want to thank Chairman SENSENBRENNER and Mr. GOODLATTE for working with me and other members on this side of the aisle to develop a balanced approach on this issue that deserves strong bipartisan support. I also want to comment Mr. BOUCHER for his hard work on this legislation.

This legislation is based on a simple, common sense principle that class action lawsuits that affect several states should be considered in federal courts. It does not make sense to allow state judges in a few local jurisdiction to make decisions that will affect businesses and consumers nationwide. Cases that are brought on behalf of folks from across the country and will have consequences in many states should be heard in the federal court.

The amendment before us, which was the product of bipartisan negotiations in the other body, clarifies the line between class actions that may be handled by federal courts and class actions that should be resolved by state courts. It ensures that class actions of predominantly local concern remain in state court, while allowing federal courts to handle larger cases that are national or interstate in character. In other words, if a class action lawsuit

is primarily a multi-state lawsuit, it goes to federal court and if it is a primarily a single state lawsuit it stays in state court.

The legislation before us is much stronger because of the commitment of Chairman SENSENBRENNER to deal with this issue in a truly bipartisan manner. The legislative process and the American people are served best when we work together across party liens to find a reasonable middle ground on legislation. I hope that the process by which Chairman SENSENBRENNER has handled this legislation is a model for other legislation in this body.

Mr. CONYERS. Mr. Chairman, I yield the balance of the time to the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Chairman, I thank my friend for yielding me the time.

Mr. Chairman, we have heard some very charming stories about this amendment, but how about a little truth in advertising. The Sensenbrenner amendment that we are considering today is not Feinstein. While it is true that a rose by any other name is still a rose, calling a dandelion a rose do not make it so. Yet that is precisely the hoax that is being perpetrated by the Sensenbrenner amendment.

In a desperate attempt to make H.R. 1115 appear moderate, trying to hide that it is really a radical expansion of Federal authority and away from the States, the proponents of the Sensenbrenner amendment want the House to believe that adopting this amendment makes H.R. 1115 the same proposal advanced by Senator FEINSTEIN last month in the Senate Committee on the Judiciary.

Mr. Chairman, that is just not so. The Feinstein amendment was only about class actions, period. That is it. It was not meant to apply, nor does it apply, to mass tort cases, consolidated cases, joinder cases or State Attorney General actions; and as my friends on the other side of the aisle are so prone to say, why do they not read their own darn amendment.

Let us get real on this. Here is what the proponents of the Sensenbrenner amendment will not tell my colleagues and do not want us to know:

In the Senate, committee passage of the bill, including adoption of the Feinstein amendment, was tied to the passage of another amendment, the Feinstein-Specter amendment that narrowed the scope of the bill so that it applied only to class action. Now Sensenbrenner is more extreme in other ways, of course. That is what we are about here, extremist policy.

There are three very important ways that it is more extreme. Feinstein does not apply to joinder or consolidated cases or attorney general actions. Sensenbrenner does. Feinstein does not apply retroactively to pending cases such as ongoing actions against Enron and WorldCom. Sensenbrenner does. We know who they are protecting. We know what they are doing.

Feinstein does not allow defendants to remove cases into a Federal settlement and give those same defendants the right to delay proceedings, appeal intelocutory orders, and stay discovery. Sensenbrenner does.

It is time to tell the truth about the Sensenbrenner amendment. We know what it does. We know what it says. We know who it protects. We have read the thing.

In closing, I have brought a chart to explain this amendment. If my colleagues can understand it, they are wasting their time in the House. They should be confirmed as the Chief Justice of the United States Supreme Court if they can go over the Sensenbrenner amendment and the Feinstein wording and make any sense whatsoever of it. It is poorly drafted, it does not have definitions, it does not allow one to remain in Federal court or State court. It bumps a person back and forth on a jurisdictional merry-go-round that never ends, that protects corporate wrongdoers. It is bad for America.

The CHAIRMAN. All time having expired, the question is on the amendment offered by the gentleman from Wisconsin (Mr. SENSENBRENNER).

The amendment was agreed to.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in House Report 108–148.

□ 1330

AMENDMENT NO. 2 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. JACKSON-LEE of Texas:

In section 1332(d) of title 28, United States Code, as proposed to be inserted by section 4(a)(2) of the bill—

(1) in paragraph (9), strike the quotation marks and second period at the end; and

(2) add after paragraph (9) the following:

''(10)(A) For purposes of this subsection and section 1453 of this title, a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.

''(B) In this paragraph, the term 'corporate repatriation transaction' means any transaction in which—

''(i) a foreign corporation acquires substantially all of the properties held by a domestic corporation;

''(ii) shareholders of the domestic corporation, upon such acquisition, are the beneficial owners of securities in the foreign corporation that are entitled to 50 percent or more of the votes on any issue requiring shareholder approval; and

''(iii) the foreign corporation does not have substantial business activities (when compared to the total business activities of the corporate affiliated group) in the foreign country in which the foreign corporation is organized.''.

The CHAIRMAN. Pursuant to House Resolution 269, the gentlewoman from Texas (Ms. JACKSON-LEE) and the gentleman from Wisconsin (Mr. SENSENBRENNER) each will control 5 minutes.

The Chair recognizes the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rose earlier today and said this is a personal conflict. This is a personal issue. This is the issue of some powerful lawyers who have lost cases in the courts of America against those who have stood for those individuals who could find no way to enter into the court of justice except to join together as many plaintiffs on behalf of their issue.

The issue today is whether or not we can ensure that whatever happens in this legislation, if a corporation that has a class action against them decides to abscond by being purchased by a foreign corporation, that that class action lawsuit will not be null and void.

Specifically, Mr. Chairman, the language says ''a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.''

Let me give an example, Mr. Chairman. The example is as follows. Just remember the case that dealt with the parent company of Jack-in-the-Box restaurants that agreed to pay $14 million in a class action settlement. The class involved 500 people, mostly children. They had to come in a class represented by an attorney. They became sick in 1993 after eating undercooked hamburgers tainted with E. coli bacteria. The children did not go to Jack-in-the-Box to fake injury or to fake sickness. They did not go to the place they enjoyed to eat a hamburger that was tainted. Just imagine that Jack-in-the-Box subsequently had been bought by a foreign corporation. That would have quashed or could have quashed both the settlement and the judgment that was obtained on behalf of sick children.

So this is an amendment that protects consumers, it protects the innocent, it is not a personal amendment; it is an amendment that rids itself of a personal conflict between allegedly defense lawyers who have lost and those plaintiff attorneys who may have won a class action case once in awhile. If we pass this class action litigation, it will inhibit those individuals from being heard.

Mr Chairman, I propose this amendment to H.R. 1115, to prevent domestic corporations from escaping liability from class action lawsuits by incorporating abroad. I ask the Rules Committee to make my amendment in order.

Under this amendment, ''a foreign corporation which acquires a domestic corporation in a corporate repatriation transaction shall be treated as being incorporated in the State under whose laws the acquired domestic corporation was organized.''

Simply put, this amendment ensures that U.S. corporations cannot escape class action

liability or the jurisdiction of U.S. courts by repatriating or merging with a foreign-based corporation. Under this amendment if an American corporation is guilty of corporate crimes or malfeasance, and thereafter the corporation merges with a foreign corporation, the corporation will be deemed incorporated in the State where the corporation was domiciled before the merger.

This amendment prevents American companies from fleeing abroad to avoid liability in a class action lawsuit.

To see the benefit of this amendment one need only consider the hypothetical impact on Enron employees without this amendment. In the Enron collapse, corporate executives criminally failed to disclose corporate decision-making in pension plans, and in other financial decisions. In the Enron case, executives and senior management staff were fraudulently encouraging employees to buy company stock. At the same time, those same executives and senior managers were cashing out millions of dollars shortly before the company declared bankruptcy in December of 2001. As a result of the corporate executives crimes, 4,500 Enron employees lost their jobs in my home district alone.

Without my amendment, it would be possible for the bankrupt Enron corporation to agree to be acquired by a foreign company, relinquish their status as a company incorporated in the United States, avoid the jurisdiction of Federal courts, and avoid liability for their corporate crimes.

A result of this egregious would be a slap in the face to the 4,500 Enron employees who lost their jobs because of corporate wrongdoing and are undoubtedly entitled to damages. It would also be a slap in the face to the victims of tobacco companies, negligent automobile manufacturers, asbestos litigation clients, and any number of other class action plaintiffs who are opposed by well-finance, business and legal savvy defendants. This amendment would ensure that potential corporate defendants are unable to avoid liability.

Mr. Chairman, I urge my colleagues to support my amendment to protect victimized class action plaintiffs form runaway corporations.

Mr. Chairman, I yield 1 minute to the gentleman from Michigan (Mr. CONYERS).

Mr. CONYERS. Mr. Chairman, the problem that is presented in the bill that the Jackson-Lee amendment attempt to correct is the incredible ability of corporations doing business in this country to move offshore, Bermuda as an example, to do business and then escape coming into State court on class action by claiming they are a foreign corporation.

These are the same companies that are eager to put ''Made in the U.S.A.'' on their products, while they at the same time avoid United States taxes and attempt to minimize their legal liability by merely shuffling corporate documents. Support the Jackson-Lee amendment.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I ask my colleagues to support this amendment. Think of the children playing on playgrounds and broken equipment with a class action lawsuit and ultimately the company is bought by a foreign corporation. This amendment makes this litigation better on behalf of the consumers and the people who need justice in America.

Mr. Chairman, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia (Mr. GOODLATTE).

Mr. GOODLATTE. Mr. Chairman, I rise in opposition to this amendment. This is the ''if you cannot win the argument, try to change the subject'' amendment. This amendment would preclude companies opened by foreign or offshore companies from using the jurisdictional provisions in H.R. 1115. The amendment would make for bad policy, and I urge my colleagues to reject it.

Apparently the gentlewoman from Texas (Ms. JACKSON-LEE) believes that the State class action abuse problem is so bad that companies forced to litigate in State court will move back onshore. Well, I think that belief tells us a lot about how unfair some of these select magnet State courts are around the country where these abuses occur to defendants and to consumers in this country.

Nonetheless, this bill is not the proper vehicle for debating tax policy. Our goal today is to curb class action abuse, to stop coupon settlements that rip off consumers, and to make sure that county courts do not dictate our Nation's economic policies. If this body wants to debate the problems regarding foreign ownership of companies, let us do that in the appropriate context.

Let me add that one of the important things that we need to understand and that the other side of the aisle keeps trying to target here is that somehow there are certain companies that are bad actors, and that we should write Federal policy based on that rather than having one fair, across-the-board treatment of one type of lawsuit. That is exactly what this legislation is attacking and why they are objecting to it.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment I think can probably be referred to as the ''back-door erosion of the 14th amendment to the Constitution amendment'' to this bill because it erodes the concept of equal protection under the law, meaning everybody gets treated equally in court.

What the gentlewoman from Texas (Ms. JACKSON-LEE) is trying to do is to say for certain types of corporations, they would be treated under a different law than other types of corporations. That poses some really profound problems as far as I am concerned.

The crux of this whole matter is that this is an attempt to establish tax policy in a civil litigation procedure bill. It mixes up apples and oranges. It is not going to have the effect that the gentlewoman from Texas (Ms. JACKSON-LEE) is stating, and that is preventing corporations that wish to go offshore from going offshore. The amendment is not wrong, it just does not make any sense. It should be rejected.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) will be postponed.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 108–148.

AMENDMENT NO. 3 OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Ms. LOFGREN:

In section 1332(d)(9) of title 28, United States Code, as proposed to be inserted by section 4(a)(2) of the bill—

(1) in the first sentence, strike ''if—'' and all that follows through ''(B) monetary relief'' and insert ''if monetary relief—'';

(2) strike ''The provisions of paragraphs (3) and (6)'' and all that follows through ''subparagraph (A).''; and

(3) in the last sentence, strike ''subparagraph (B)'' and insert ''this paragraph''.

The CHAIRMAN. Pursuant to House Resolution 269, the gentlewoman from California (Ms. LOFGREN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from California (Ms. LOFGREN).

Ms. LOFGREN. Mr. Chairman, I yield myself 2½ minutes.

(Ms. LOFGREN asked and was given permission to revise and extend her remarks.)

Ms. LOFGREN. Mr. Chairman, the question is not whether there have been problems with coupon-award cases; there have been. The question is whether this bill is the remedy for those problems. I have two concerns about the bill. One, it goes too far; and secondly, I do not see how the bill really addresses and solves the coupon settlement problem.

But what is really offensive to me is the scorched-earth approach of the bill does not just stop at class actions, it also targets California's prosecutors.

California has strong consumer protection, section 17200 of the Business and Professions Code, and it provides that not just AGs, but district attorneys, can sue in the public interest. District attorneys are not bringing abusive class actions to collect attorneys' fees; they are trying to protect their constituents.

For example, in People v. National Travel, two California DAs shut down an unscrupulous Florida travel agency. In People v. Providian Bank, the San Francisco district attorney stopped predatory credit card practices and recovered $300 million for California consumers. In People v. Rite-Aid, DAs stopped the sale of expired baby formula. In People v. Cook Brothers, DAs stopped an Illinois company from selling illegal weapons through a mail-order catalog. These are a few examples of how local DAs use consumer protection actions to safeguard Californians. Their ability to bring these cases in State court would be eliminated under this bill.

Put simply, if my amendment is not passed, this will have a chilling effect on local DAs, and that is why it is opposed by the California District Attorneys Association. I want to read from a letter I received from the California District Attorneys Association. They say, As currently written, H.R. 1115 would severely limit our ability to protect the public. Under the definition of class action, our consumer protection cases would be eligible for removal.

They wrote, That if these offenders remove our cases to Federal court, the cost of prosecution and inconvenience to the victims will make pursuit of many such cases a practical impossibility.

So the question is not whether there are problems with class actions, but whether this bill is the remedy. I say it is not.

CALIFORNIA DISTRICT
ATTORNEYS ASSOCIATION,
Sacramento, CA, June 11, 2003.

Re HR 1115, oppose unless amended.

Hon. ZOE LOFGREN,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE LOFGREN: The California District Attorneys Association (CDAA) has taken an Oppose Unless Amended position on HR 1115 (Goodlatte), the Class Action Fairness Act of 2003.

As you may know, District Attorneys in California and many other states are charged with protecting the public from unfair, unlawful, and predatory practices used by unscrupulous businesses. In California, our Business and Professions Code §17200 allows District Attorneys to bring civil actions against such businesses in the name of the People of the State of California, and thereby seek civil penalties, restitution, and injunctions on the People's behalf. This law has been successfully used by California's District Attorneys to protect the public from false advertising, predatory lending, fake cures for cancer, and other shameful scams perpetrated by out-of-state businesses.

As currently written, HR 1115 would severely limit our ability to protect the public from these wrongs. Under the definition of class action currently used by HR 1115, our consumer protection cases would be eligible for removal to Federal court. If these offenders remove our cases to Federal court, the cost of prosecution and the inconvenience to the victims will make pursuit of many such cases a practical impossibility.

We appreciate that HR 1115 currently exempts actions brought by Attorneys General from its provisions. For this reason, we are hopeful that the supporters of HR 1115 did not intend to extend its provisions to actions brought by District Attorneys and other public prosecutors. Therefore, we ask that the author considers amending page 15, line 20 to read ''. . . attorney general, state or local district attorney, other governmental prosecutor, or group thereof . . .'' We would also ask that the following text be inserted at page 13, between lines 6 and 7; ''(D) the action is brought by a State attorney general, state or local district attorney, other governmental prosecutor, or group thereof.'' With these amendments, HR 1115 would preserve the ability of California's District Attorneys, and those of many other states, to protect the public from unlawful, unfair, and predatory practices disguised as legitimate businesses.

We also appreciate the recent efforts of Senators Feinstein and Specter to address our identical concerns with S 274 (Grassley). We look forward to continuing to work with the Senators, and any other interested party, to resolve this issue. Please feel free to contact us if we can be of any further assistance.

Very truly your,

GILBERT G. OTERO,
President.
District Attorney, Imperial County.

Mr. SENSENBRENNER. Mr. Chairman, I claim the time in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin (Mr. SENSENBRENNER) is recognized for 5 minutes.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentlewoman from California (Ms. LOFGREN) has spent a lot of time referring to suits by local district attorneys being removed to Federal court under this bill because she believes they would not be covered by the exemption contained in the bill for State attorney generals.

I would say to the gentlewoman that we believe that suits by local elected district attorneys do fall within that exempted category, and are not covered by the bill. It is clearly the intent of the bill to exclude elected law enforcement officials like district attorneys.

If we need to work further with the gentlewoman from California (Ms. LOFGREN) as this bill moves forward to clarify that intent with regard to suits by local officials, I would offer her to do that. However, I do want to make it quite clear that private attorney general actions are another matter. If the gentlewoman will withdraw her amendment, we can work on clarification of this. Otherwise, I would urge the membership to vote against the amendment since the gentlewoman has rejected my offer.

Mr. Chairman, I reserve the balance of my time.

Ms. LOFGREN. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. LINDA T. SÁNCHEZ), my colleague on the Committee on the Judiciary and a cosponsor of this amendment.

Ms. LINDA T. SÁNCHEZ of California. Mr. Chairman, I rise to speak in support of this amendment. I agree that there are some problems with our class action system, but the so-called Class Action Fairness Act is not the solution.

I am particularly concerned because the bill intrudes on a specific provision of California law, one which allows State laws to be enforced by district and city attorneys as well as private attorneys general. This California law has been used successfully to protect the public from false advertising, predatory lending, fake cures for cancer and other shameful scams perpetrated by out-of-State business.

For example, in People v. Life Alert, California's district attorney stopped Life Alert, the purveyors of the ''I have fallen and cannot get up'' advertisements from aggressive door-to-door sales tactics. Those tactics included refusing to leave elderly people's homes until they bought the product, and refusing to issue refunds to consumers who complained about such tactics.

□ 1345

Unfortunately, the Class Action Fairness Act takes away California's ability to protect consumers in this way. It does so by defining private attorney general actions as class actions and removing them to Federal court. Why does this matter? Because private attorney general lawsuits are less likely to proceed if they are deemed class action lawsuits. That would force the private attorney general to certify a class when in fact he or she is bringing the suit to protect consumers from harm. In addition, Federal court is more expensive and time consuming for plaintiffs, especially when it involves greater travel.

This bill is also an insult to States' rights. It usurps decisions made by States regarding their court system and their class action system. Some members of Congress talk about the importance of States' rights, but in the end it appears that that is only true when it is convenient for their purposes. Apparently federalism is not as important when consumer protections are at stake.

I urge my colleagues to support this amendment and to oppose the underlying bill. Voting for H.R. 1115 is like trying to address automobile fatalities by dumping gasoline into the ocean. It fails to do anything about the first problem while creating a second one. If we are going to fix the class action system, then let us do it right. This bill is not the way to do it.

Ms. LOFGREN. Mr. Chairman, I yield myself the balance of my time.

I wanted to quote from a letter I received from Senator FEINSTEIN. This amendment is identical to what Senator FEINSTEIN wrought in the Senate, and she has pointed out that she will not support this bill unless this amendment is adopted and that is to protect section 17200 of California's Business and Professions Code in its entirety. There is no rationale, no reason, there have been no problems with section 17200; and I would urge all members of

the House, and especially the Californians, to stand up for federalism and protect California State law.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I really regret that the gentlewoman from California was not interested in the compromise and clarification that I proposed, where we would allow elected district attorneys to continue to utilize the State court, but not private citizens with private attorney general actions which are authorized only in California and no place else. One of these private attorney general actions should not set national legal and economic policy. When you have an elected official like a district attorney or a State attorney general, that is one thing, because these people represent the public and it is their job to do this. When you have a private citizen in a procedure that has not been adopted by 49 out of the 50 States, they should not get a carve-out under this bill. Because there was no compromise that was agreed to, I would urge the rejection of this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from California (Ms. LOFGREN).

The question was taken; and the Chairman announced that the noes appeared to have it.

Ms. LOFGREN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by gentlewoman from California (Ms. LOFGREN) will be postponed.

It is now in order to consider amendment in the nature of a substitute No. 4 printed in House Report 108–148.

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 4 OFFERED BY MR. SANDLIN

Mr. SANDLIN. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 4 offered by Mr. SANDLIN:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Class Action Improvement Act of 2003''.

(b) REFERENCE.—Whenever in this Act reference is made to an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 28, United States Code.

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

Sec. 1. Short title; reference; table of contents.
Sec. 2. Improved procedures for certain interstate class actions.
Sec. 3. Establishment of State Court Multidistrict Litigation Panel.
Sec. 4. Establishment of procedure for transferring certain actions to Federal court.
Sec. 5. Best practices study.

SEC. 2. IMPROVED PROCEDURES FOR CERTAIN CLASS ACTIONS.

(a) IN GENERAL.—Part V is amended by inserting after chapter 113 the following:

''CHAPTER 114—CLASS ACTIONS

''Sec.
''1711. Coupons and other noncash settlements.
''1712. Protection against loss by class member.
''1713. Protection against discrimination based on geographic location.
''1714. Additional requirements.
''1715. Protecting the integrity of the courts.
''1716. Interlocutory appeals.
''1717. Definitions.''.

''§ 1711. Coupons and other noncash settlements

''(a) CONTINGENT FEES.—If a proposed settlement in a class action provides for an award of a noncash benefit to a class member, and the attorney's fee to be paid to class counsel is based upon a portion of the recovery, then the attorney's fee shall be based on the value of the noncash benefit that is redeemed.

''(b) OTHER ATTORNEY'S FEE AWARDS.—If a proposed settlement in a class action includes a noncash benefit to a class member, and a portion of the recovery is not used to determine the attorney's fee to be paid to class counsel, then the attorney's fee shall be based upon the actual amount of time class counsel expended working on the action. Any attorney's fee under this subsection shall be subject to approval by the court. Nothing in this subsection shall be construed to prohibit application of a lodestar with a multiplier method of determining attorney's fees whenever appropriate under applicable law.

''(c) SETTLEMENT VALUATION EXPERTISE.—In a class action involving the awarding of noncash benefits, the court may in its discretion, upon the motion of a party, receive expert testimony from a witness qualified to provide information on the actual value of the settlement.

''§ 1712. Protection against loss by class members

''The court may approve a proposed settlement under which any class member is obligated to pay sums to class counsel that would result in a net loss to the class member only if the court first makes a written finding that nonmonetary benefits to the class member outweigh the monetary loss.

''§ 1713. Protection against discrimination based on geographic location

''The court may not approve a proposed settlement that provides for the payment of greater sums to some class members than to others solely on the basis that the class members to whom the greater sums are to be paid are located in closer geographic proximity to the court.

''§ 1714. Additional requirements

''(a) SETTLEMENTS.—The court may not approve a proposed settlement of a class action unless the court determines that—

''(1) the settlement is fair, reasonable, and adequate to the plaintiff class; and

''(2) the settlement applies only to claims with respect to which the plaintiff class was authorized to represent class members.

''(b) NOTICE TO DEFENDANTS.—The court in a class action shall require that, before the class is certified, defendants receive notice of the action and be given an opportunity to respond to the complaint.

''(c) BLOCKING REMOVAL.—A defendant in a class action may not elect to block removal of the action to Federal court that is sought by other defendants if the court finds that plaintiffs named the defendant solely for purposes of blocking such removal.

''§ 1715. Protecting the integrity of the courts

''(a) OPEN RECORDS.—No order, opinion, or record of the court in a class action, including a record obtained through discovery, whether or not formally filed with the court, may be sealed or made subject to a protective order unless the court finds—

''(1) that the sealing or protective order is narrowly tailored and necessary to protect the confidentiality of a particular trade or business secret of one or more of the settling parties and is in the public interest; or

''(2) that—

''(A) the sealing or protective order is narrowly tailored, consistent with the protection of public health and safety, and is in the public interest; and

''(B) if the action by the court would prevent the disclosure of information, disclosing the information is clearly outweighed by a specific and substantial interest in maintaining the confidentiality of such information.

''(b) DESTRUCTION OF DOCUMENTS PROHIBITED.—All parties filing or receiving service of a class action shall maintain all documents, including those in electronic format, related to the subject matter of the class action. Any person who knowingly alters, destroys, mutilates, conceals, or falsifies any record, document, or tangible object with the intent to impede, obstruct, or influence the outcome of a class action shall be fined not more than $5,000 for each record, document, or object destroyed, imprisoned not more than 5 years, or both.

''§ 1716. Interlocutory appeals

''A court of appeals may in its discretion permit an appeal from an order of a district court granting or denying class action certification under Rule 23 of the Federal Rules of Civil Procedure if application is made to the court within 10 days after entry of the order. An appeal does not stay proceedings in the district court unless the district court or the court of appeals so orders.

''§ 1717. Definitions

''In this chapter—

''(1) CLASS ACTION.—The term 'class action' means—

''(A) any civil action filed in a district court of the United States pursuant to Rule 23 of the Federal Rules of Civil Procedure; and

''(B) any civil action that is removed to a district court of the United States that was originally filed pursuant to a State statute or rule of judicial procedure authorizing an action to be brought by one or more representatives on behalf of a class;

''(2) CLASS COUNSEL.—The term 'class counsel' means the persons who serve as the attorneys for the class members in a proposed or certified class action.

''(3) CLASS MEMBERS.—The term 'class members' means the persons who fall within the definition of the proposed or certified class in a class action.

''(4) PROPOSED SETTLEMENT.—The term 'proposed settlement' means an agreement that resolves any or all claims in a class action, that is subject to court approval, and that, if approved, would be binding on each class member, except to the extent that a class member has requested to be excluded from the class action.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of chapters for part V is amended by inserting after the item relating to chapter 113 the following:

''114. Class Actions ..... 1711''.

SEC. 3. ENACTMENT OF JUDICIAL CONFERENCE RECOMMENDATIONS.

Notwithstanding any other provision of law, the amendments to Rule 23 of the Federal Rules of Civil Procedure, relating to notice to members of a class, which are embraced by the order entered by the Supreme Court of the United States on March 27, 2003, shall take effect on the date of the enactment of this Act or on December 1, 2003 (as specified in that order), whichever occurs first.

SEC. 4. ESTABLISHMENT OF STATE COURT MULTIDISTRICT LITIGATION PANEL.

(a) CREATION OF MULTIDISTRICT LITIGATION PANEL.—The National Center for State Courts is authorized to develop and implement, in coordination with the Conference of Chief Judges, a State court multidistrict litigation panel for class actions, to be called the ''State Court Panel on Multidistrict Litigation'', in accordance with the following:

(1) CONSOLIDATION OF CLASS ACTIONS.—The SCPML shall allow State court judges, or parties with class actions pending in State courts, to seek to consolidate within one State court for pretrial proceedings related class actions pending in different States. No pending class action may be consolidated without the approval of the State court judge handling the pending action.

(2) FOR PRETRIAL PROCEEDINGS.—When class actions involving one or more common questions of fact are pending in the courts of different States, such actions may be transferred, with permission of the court, to any of these State courts for coordinated or consolidated pretrial proceedings. Such transfers shall be made by the SCPML upon its determination that transfers for such proceedings will be for the convenience of the parties and witnesses and will promote the just and efficient conduct of such actions. Each action so transferred shall be remanded by the SCPML at or before the conclusion of such pretrial proceedings to the State court from which it was transferred unless it has been previously terminated, except that the SCPML may separate any claim, cross-claim, counter-claim, or third-party claim and remand any such claim before the remainder of the action is remanded.

(3) JUDICIAL ASSIGNMENTS.—Coordinated or consolidated pretrial proceedings under paragraph (2) shall be conducted by a judge or judges to whom such actions are assigned by the SCPML. With the consent of the transferee court or courts, such actions may be assigned by the SCPML to a judge or judges from any relevant State court. The judge or judges to whom such actions are assigned and the members of the SCPML may exercise the powers of a trial court judge of any of the relevant State courts for the purpose of conducting pretrial depositions in such coordinated or consolidated pretrial proceedings.

(4) COMPOSITION OF SCPML.—The SCPML shall consist of nine judges designated from time to time by the CCJ, no two of whom shall be from the same State. The concurrence of five members shall be necessary to any action by the SCPML. The members of the SCPML shall each serve for a term of three years. The CCJ is urged to develop a system to ensure that States from varying regions and States of different sizes are equitably represented on the SCPML.

(5) ESTABLISHMENT OF RULES.—The SCPML may prescribe procedural rules for the conduct of its business not inconsistent with Federal law and the Federal Rules of Civil Procedure, including rules establishing procedures for initiating the transfer of a class action under this section, providing notice to all affected parties, determining whether such transfer shall be made, issuing orders either directing or denying such transfer, and providing notice of and appealing any order of the SCPML under this section.

(b) AUTHORIZATION.—There are authorized to be appropriated to the National Center for State Courts for the establishment and administration of the State Court Panel on Multidistrict Litigation $1,000,000 for fiscal year 2004 and such sums as may be necessary for fiscal year 2005 and thereafter.

(c) DEFINITIONS.—In this section:

(1) CLASS ACTION.—The term ''class action'' means any civil action that—

(A) is brought in a State court pursuant to a State statute or rule of judicial procedure authorizing an action be brought by one or more representatives on behalf of a class; and

(B) is not removed to a court of the United States.

(2) CCJ.—The term ''CCJ'' means the Conference of Chief Justices.

(3) NCSC.—The term ''NCSC'' means the National Centers for State Courts.

(4) SCPML.—The term ''SCPML'' means the State Court Panel on Multidistrict Litigation established pursuant to subsection (b).

SEC. 5. ESTABLISHMENT OF PROCEDURE FOR TRANSFERRING CERTAIN ACTIONS TO FEDERAL COURT.

(a) ESTABLISHMENT OF PROCEDURE.—The National Center for State Courts is authorized to develop and implement, in coordination with the Conference of Chief Judges, a procedure by which the applicable State court or the SCMPL shall have the authority to transfer a class action to the appropriate Federal court if the matter in controversy of the civil action exceeds the sum or value of $5,000,000, exclusive of interest and costs, and is a class action in which—

(1) any member of a class of plaintiffs is a citizen of a State different from any defendant;

(2) any member of a class of plaintiffs is a foreign state or a citizen or subject of a foreign state and any defendant is a citizen of a State; or

(3) any member of a class of plaintiffs is a citizen of a State and any defendant is a foreign state or a citizen or subject of a foreign state.

(b) DISCRETION TO DECLINE TO TRANSFER JURISDICTION.—The applicable State court or the SCMPL may, in the interests of justice, decline to transfer jurisdiction under subsection (a) over a class action in which greater than one-third but less than two-thirds of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed, based on consideration of the following factors:

(A) Whether the claims asserted involve matters of national or interstate interest.

(B) Whether the claims asserted will be governed by laws other than those of the State in which the action was originally filed.

(C) Whether the class action has been pleaded in a manner that seeks to avoid Federal jurisdiction.

(D) Whether the number of citizens of the State in which the action was originally filed in all proposed plaintiff classes in the aggregate is substantially larger than the number of citizens from any other State, and the citizenship of the other members of the proposed class is dispersed among a substantial number of States.

(E) Whether one or more class actions asserting the same or similar claims on behalf of the same or other persons have been or may be filed.

(c) CASES IN WHICH JURISDICTION MAY NOT BE TRANSFERRED.—The applicable State court or the SCMPL shall not transfer jurisdiction under subsection (a) over a class action in which—

(A) two-thirds or more of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the State in which the action was originally filed;

(B) the primary defendants are States, State officials, or other governmental entities against whom the district court may be foreclosed from ordering relief; or

(C) the number of members of all proposed plaintiff classes in the aggregate is less than 100.

(d) JURISDICTION OF FEDERAL COURTS.—Any Federal court to which a class action is transferred under subsection (a) shall have, and exercise, jurisdiction of the case.

(e) DEFINITIONS.—In this section, the terms ''class action'' and ''SCMPL'' have the meanings given those terms in section 4.

SEC. 6. BEST PRACTICES STUDY.

The National Center for State Courts is authorized and requested to—

(1) conduct a study for the purpose of identifying problems that arise in the litigation of State class actions;

(2) develop recommendations on ways to address the problems so identified; and

(3) report to the Congress, within 1 year after the date of the enactment of this Act, on the results of such study and recommendations.

The CHAIRMAN. Pursuant to House Resolution 269, the gentleman from Texas (Mr. SANDLIN) and the gentleman from Wisconsin (Mr. SENSENBRENNER) each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. SANDLIN).

Mr. SANDLIN. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, my good friend, the gentleman from Virginia (Mr. GOODLATTE), mentioned earlier that we need fair, across-the-board reform in the area of class action. I agree with that; it needs to be fair, reasonable and workable. That is what we should pursue.

In typical fashion, our friends have cited isolated cases over a number of years that they say cry out for reform. However, they forgot to mention the case in Georgia at the Tri-State Crematory where they had been foregoing cremations for bodies received from funeral homes. Instead, they passed off wood chips and other substances as ashes. They forgot to mention the Ohio case wherein an Ohio neighborhood was filled with noxious gases when an 8,500-gallon resin kettle exploded at a Georgia Pacific plant. An employee was killed, 13 were injured, and 15 houses near the plant were evacuated. They forgot to mention the Foodmaker case which we heard earlier where the parent company of Jack-in-the-Box agreed to pay $14 million in a class action settlement in the State of Washington. That class included 500 people, mostly children, who became sick in early 1993 after eating undercooked hamburgers tainted with E coli. They forgot to mention the Indiana case, TRG Marketing LLC, who sold fraudulent health insurance policies to more than 5,000 Floridians who were left with several million dollars in unpaid medical bills.

As you might imagine, we could go on day after day, case by case, a tit for tat, going forward and comparing our

cases. But let us look at reasonable reform that protects business and consumers, that respects State law, that can be supported by both sides of the aisle. The Democratic alternative, importantly, is reasonable and, more importantly, it is not retroactive. If we change the law, let us do it properly. Let us do it from this point forward. There is no reason to pass a law that is retroactive. The Democratic alternative is not retroactive. The Democratic alternative does not contain compulsory appeal requirements to ultimately delay justice by years. Certainly the appeal is permissible. The appeal is available, just like it is in the law now. The Democratic alternative does not cede jurisdiction to the Federal courts. It says that we respect the State courts. The State courts are the ones where these cases were originally filed.

Class actions were originally founded in State court. Even when you go to Federal court, there is a requirement of the use and interpretation of State law. The Democratic substitute respects the sovereignty of State courts. The Democratic alternative provides substantial protection to consumers and other class action plaintiffs that could result in settlements; and we want to make sure that the settlements are fair, reasonable, and adequate to address the injuries of the parties and their claims. The Democratic alternative provides specific, reasonable reforms to address concerns about so-called magnet State adjudication of multistate class actions. This act does not preempt State attorney general mass tort cases as we mentioned earlier.

We also have protection on fees to make sure that they are reviewed by the courts to make sure that they are fair and reasonable. Any coupon settlements that we have heard all about today, which I notice that the Republicans did not ban, but any coupon settlements can be examined by a court and expert testimony can be received on the actual value of the settlement. Attorneys' fees under our bill would be determined and measured by the amount of the actual noncash benefit redeemed, not what was awarded, to make sure that that is fair and equitable.

Additional requirements on settlements. The courts can only approve the settlement of a class action if it determines the settlement is fair, reasonable and adequate, and it applies to only the claims that are currently before the court. We protect the integrity of the courts, we say that the primary authority should be in the State courts, we prohibit the destruction of documents. As I mentioned on interlocutory appeals, they are permissible, not mandatory. We create, much as the Federal courts have, a State multicourt litigation panel to operate as a panel in the States just as we do in the Federal. If we have a concern about Federal versus State and not having a panel, our legislation takes care of that. We have an establishment of procedure for transferring actions to Federal court, but it puts the discretion within the State courts. It says the State courts know best how to interpret State law for their State citizens.

Also, importantly, we have a best practices study. Let us let the National Center for State Courts conduct a study to identify problems that arise in the litigation of State class actions. Let us get them to recommend things to us that will cause us to pause and to make corrections. Let us let them report to Congress about problems that they see and potential corrections.

It just boils down to this: Do you want the States to decide or the Federal Government to decide? State courts, Federal courts. We feel like that our substitute and the summary that I have just gone on is a reasonable, fair way to address the problems.

Mr. Chairman, I reserve the balance of my time.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this substitute amendment, I think, can probably be called the Madison County, Illinois, Judicial Protection Act of 2003, because what it does is it goes on for a long, long text, preserving essentially the status quo, and then throws a million dollars a year in for the next 2 fiscal years to have some kind of a study.

The most important sentence in the Sandlin amendment that demonstrates the author's true intent is tucked away in the middle of the legislation toward the top of page 8. For those Members who missed it, let me read this sentence to them: ''No pending class action may be consolidated without the approval of the State court judge handling the pending action.''

Let me tell my colleagues what this means. If you are a magnet State court judge and you want to keep running your class action factory, this bill will not affect you, because you do not approve any consolidation. You can continue to certify class action cases without considering the rules. You can continue to approve settlements, even if they do nothing for class members, even coupons. And you can continue to support the trial lawyers who got you elected to the bench.

It claims to offer better consumer provisions; but those provisions only apply to Federal court cases, of which there will be very few, if any, if this substitute is adopted. It is just a piece of paper for consumer protections. It claims to offer a proposal for consolidating State court class actions, but even if that proposal were constitutional, which it is not, it is completely discretionary. It claims to offer a proposal for transferring cases to Federal court, but it lets the State court judge where the suit was brought decide whether to take advantage of this procedure. This amendment is not worth the paper it is printed on.

The gentleman from Texas has given a few examples, and I think they came from a document that was originally circulated by the American Trial Lawyers Association. Let me respond to three of the examples he gave to show Members how much his bill misses the mark and ours addresses the problem. The Dow Chemical case he cited filed by Michigan residents alleging contamination at a Michigan plant likewise would not be affected by this bill. Because Dow and the proposed class members were all Michigan citizens, under our bill that suit would remain in State court.

The Tri-State Crematory cases actually present a perfect example of the benefits of our bill. Many Federal and State class actions have been filed in that matter. The Federal cases were consolidated in a multidistrict litigation proceeding where a Federal judge certified a class action in advance of any State court doing so. Finally, the TRG Marketing case, which is scattered amongst a number of State courts that are duplicating each other's work. Under our bill, all such cases would be removed to Federal court and handled by a single Federal judge. There is no reason to believe that consumers would fare worse under that scenario. Actually, under the substitute, duplicative litigation would end up being allowed, and the lawyers' meters are ticking. Studies show that State courts are much more likely to produce bad settlements, money for lawyers and no relief for consumers. And the Federal court would not be slower. Florida State court judges are each assigned four times the number of new cases annually than each Florida Federal court judge.

This amendment in the nature of a substitute is having the fox watch the hen house. The foxes are the plaintiffs' lawyers. They are the ones that the USA Today poll believes benefit disproportionately under this bill. It is time to send the fox packing. Defeat the substitute, pass the bill and the fox can go back to the woods.

Mr. Chairman, I reserve the balance of my time.

Mr. SANDLIN. Mr. Chairman, I yield myself 15 seconds. I think it is important that the other side read the Federal rules and be familiar with Federal procedure. If they would look on page 8, first paragraph, where it says: ''No pending class action may be consolidated without the approval of the State court judge handling the pending action.'' That is consistent and completely accurate with Federal practice as it currently exists.

Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland (Mr. HOYER), the distinguished minority whip.

Mr. HOYER. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of this substitute and reiterate what the distinguished gentleman from Texas said.

□ 1400

Obviously, adversely affecting pending cases, in my opinion, is extraordinarily bad policy and precedent that we should not follow. Have we done it from time to time? We have. Have I opposed it? I have. I think that is not the way we ought to go.

Now, I think that legislation in this area is appropriate. The gentleman from Texas (Mr. SANDLIN) I think has offered an appropriate substitute. Are there abuses in our system of civil justice specifically regarding class action lawsuits? I want to tell the gentleman that I believe there are, and we need to write legislation that addresses and remedies those problems.

However, the bill offered on the floor today, if not amended, in my opinion, does not do that. Instead, its provisions would apply to pending class actions, making it more difficult for shareholders, retirees, and former employees frankly to hold companies such as Enron, WorldCom and Arthur Andersen accountable for their alleged wrongdoing. We ought not to, because of our desire to protect those cases, therefore not address other corporate citizens who are responsible and who are doing a good job and who want to be ought to be subject, obviously, to suits, but ought to be subject to suits that are legitimate.

The addition of this retroactivity provision is a major change. Let me stress that, Mr. Chairman. This is a major change from the class action bill considered in the last Congress. I do not know who it is in there to protect. I do not know who came forward and said we need protection; it is not a question of reform in the future, but we need protection.

We have seen a few reports of that, from people who want protection. Maybe that is what that retroactivity is for. As matter of fact, invariably in my plus-30 years of service in legislative bodies, when retroactive provisions are included in the bill, invariably it is there to protect somebody. And it is very bad policy. Congress should not be changing the rules that govern this resolution of civil disputes in midstream.

Furthermore, this legislation would give defendants in class actions vast new opportunities to delay cases for 2 years or more and stay discovery during the same period. Again, these rule changes would apply retroactively to pending cases.

H.R. 1115 also would force our Federal courts to handle State class actions, in addition to their large caseload and judicial vacancy rate. Thus, it is not surprising, I tell my colleagues, that both Federal and State judges oppose this measure. In fact, the Federal Judicial Conference, which is headed by Chief Justice Rehnquist, recently wrote a letter in which it ''strongly cautions Congress to uphold principles of federalism and to not increase the workload of the already overburdened Federal courts.''

In sharp contrast to this overreaching GOP bill, Democrats have offered legislation that, among other things, would base attorneys' fees on the amount redeemed by class members rather than the amount of the settlement. I think that is appropriate.

I understand the concerns of corporate leaders when they say the attorneys get all the money, and the aggrieved parties get a piece of paper saying that they may get something prospectively if they buy another product. That is a legitimate concern. This substitute speaks to it.

Our bill would require courts to determine that a class action settlement is fair, reasonable and adequate to the class. That is a protection against specious suits and those who would misuse the system.

This substitute would bar litigants from sealing court records and documents under protective orders unless a court finds that it is necessary to protect a trade or business secret and it is in the public interest.

Mr. Chairman, I urge my colleagues to support this substitute and then support its passage. We need reform. This is the appropriate step for us to take.

The CHAIRMAN pro tempore (Mr. GILLMOR). The time of the gentleman from Texas (Mr. SANDLIN) has expired.

Mr. SENSENBRENNER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would like to commend my friend from Maryland and my friend from Texas for being very consistent on the issue of retroactivity. Retroactivity is in here to prevent a race to the courthouse to avoid the new rules that are contained in this bill, should it be enacted into law. But, then again, they were against the retroactive tax cut. The tax cut that was enacted into law just a little while ago is retroactive to the first of January and, as a result of that retroactivity, there is going to be a reduction in withholding rates beginning the first of July that would be twice the amount if it were not retroactive.

So I guess they are against providing benefits of good legislation retroactively to anybody, because they are against good legislation.

Mr. Chairman, I yield the balance of my time to the gentleman from Virginia (Mr. GOODLATTE).

The CHAIRMAN pro tempore. The gentleman from Virginia is recognized for 4 minutes.

Mr. GOODLATTE. Mr. Chairman, I rise in strong opposition to the substitute bill. This substitute bill commissions studies, creates new advisory panels, and even allows State court judges to voluntarily consolidate class actions. However, the substitute bill fails to accomplish one thing: to prevent the current abuses in the class action system.

Welcome to Madison County, Illinois. It is hard to imagine why the bizarre system of delegations, panels and transfers in the substitute system is preferable to a system allowing parties to utilize the existing Federal removal procedure to have their cases heard in Federal Court through a process that has existed and served this country well for over 200 years.

The substitute bill authorizes a group of State court judges to think about the class action problem and to propose a solution, if they wish. The bill, however, H.R. 1115, offers real change. It moves large interstate class actions to Federal courts, which have a better track record of dealing with these cases and more resources to handle them efficiently, and it offers real consumer benefits that will apply to real cases and makes sure that lawyers do not sell their clients short and take home all the money.

Like the Blockbuster case, where the plaintiffs got $1 coupons and the plaintiffs' attorneys got $9.2 million in attorneys' fees.

Like the Bank of Boston case, where the lawyers got $8.5 million and the plaintiffs paid money. They did not get anything.

Like the frequent flier case, where the lawyers got $25 million, and the plaintiffs got coupons for discount air fares on the same airlines that the plaintiffs' attorneys alleged had performed some sort of wrongdoing.

Like the Coca-Cola sweetener case, the lawyers got $1.5 million. That was a real sweetener for them. The plaintiffs only got 50-cent coupons for their sweetener.

That is what is wrong. That is what the substitute does not cover.

The transfer provision in the substitute bill is meaningless. The substitute would also authorize State courts to develop a procedure for transferring certain cases to Federal courts. But, once again, State courts that do not want to participate do not have to. It is a safe bet that the courts, like the ones in Madison County, are not going to exercise that option. They are giving class actions a bad name, and they are not going to voluntarily send their class actions to Federal Court.

Thus, this provision is a sham, and I urge my colleagues to defeat the substitute and support the underlying bill.

The CHAIRMAN pro tempore. All time having expired, the question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. SANDLIN).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. SANDLIN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas (Mr. SANDLIN) will be postponed.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 2 offered

by Ms. JACKSON-LEE of Texas, Amendment No. 3 offered by Ms. LOFGREN of California, and Amendment No. 4 by offered by Mr. SANDLIN of Texas.

The first electronic vote will be conducted as a 15-minute vote, and the remaining votes will be conducted as 5-minute votes.

AMENDMENT NO. 2 OFFERED BY MS. JACKSON-LEE

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 238, not voting 11, as follows:

[Roll No. 268]

AYES—185

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Bereuter
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Duncan
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Hastings (FL)
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Slaughter
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Wamp
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—238

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—11

Ackerman
Cubin
Eshoo
Filner
Flake
Gephardt
Johnson (CT)
Jones (OH)
Rothman
Smith (WA)
Solis

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The CHAIRMAN pro tempore (Mr. GILLMOR)(during the vote). There are 2 minutes remaining in this vote.

□ 1430

Ms. HARRIS and Messrs. NUNES, WELLER, DEAL of Georgia, BOOZMAN, KINGSTON, WICKER, HYDE, ENGLISH, TURNER of Ohio, EHLERS, and PICKERING changed their vote from ''aye'' to ''no''.

Ms. LOFGREN and Messrs. HOLDEN, WAMP and DOGGETT changed their vote from ''no'' to ''aye''.

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FILNER. Mr. Chairman, on rollcall No. 268, I was caught in traffic and missed the vote. Had I been present, I would have voted ''aye.''

Ms. SOLIS. Mr. Chairman, during rollcall vote No. 268 on the Jackson-Lee amendment to H.R. 1115, I was unavoidably detained. Had I been present, I would have voted ''aye.''

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, the remainder of this series will be conducted as 5-minute votes.

AMENDMENT NO. 3 OFFERED BY MS. LOFGREN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from California (Ms. LOFGREN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 186, noes 234, not voting 14, as follows:

[Roll No. 269]

AYES—186

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Lee

Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—234

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Bonilla
Bonner
Bono
Boozman
Boucher
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—14

Ackerman
Barton (TX)
Boehner
Cubin
Delahunt
Eshoo
Ford
Gephardt
Johnson (CT)
Jones (OH)
Marshall
Rothman
Smith (WA)
Solis

□ 1438

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Ms. SOLIS. Mr. Chairman, during rollcall vote No. 269 on the Lofgren/Sánchez amendment to H.R. 1115 I was unavoidably detained. Had I been present, I would have voted "aye."

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 4 OFFERED BY MR. SANDLIN

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. SANDLIN) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment in the nature of a substitute.

The Clerk redesignated the amendment in the nature of a substitute.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 170, noes 255, not voting 9, as follows:

[Roll No. 270]

AYES—170

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Clay
Clyburn
Conyers
Crowley
Cummings
Davis (AL)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Hall
Hastings (FL)
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—255

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis (CA)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doggett
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emanuel
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)

Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Ackerman
Berkley
Cubin
Eshoo
Gephardt
Johnson (CT)
Rothman
Smith (WA)
Solis

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1447

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated for:

Ms. SOLIS. Mr. Chairman, during rollcall vote No. 270 on the Sandlin amendment to H.R. 1115 I was unavoidably detained. Had I been present, I would have voted "yea."

Ms. BERKLEY. Mr. Chairman, I was under the impression that I had voted on rollcall vote No. 270. In reviewing the record, my vote did not register. If the vote had registered, I would have voted "aye" on rollcall vote No. 270.

The CHAIRMAN. There being no other amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Accordingly, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. OSE) having assumed the chair, Mr. GILLMOR, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1115) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes, pursuant to House Resolution 269, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. WEINER

Mr. WEINER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. WEINER. I am, Mr. Speaker, in its present form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WEINER moves to recommit the bill H.R. 1115 to the Committee on the Judiciary with instructions that the Committee report the same back to the House forthwith with the following amendments:

Strike section 8 (EFFECTIVE DATE) and insert the following:

SEC. 8. EFFECTIVE DATE.

The amendments made by this Act shall apply to any civil action commenced on or after the date of the enactment of this Act.

Strike section 6 (APPEALS OF CLASS ACTION CERTIFICATION ORDERS) and redesignate the succeeding sections accordingly.

Conform the table of contents accordingly.

Mr. WEINER (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. WEINER) is recognized for 5 minutes in support of his motion.

Mr. WEINER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me begin by offering a word of apology and concern for the many lawyers in this Chamber. This has been a very bad afternoon for all of the lawyers who have seen their reputations dragged through the mud. And those of us who are not lawyers, the seven or eight of us here, will be meeting later in a phone booth off the cloakroom to discuss how badly we feel for all of these horrible lawyers who have been flogging themselves on the floor all afternoon.

I should also express my sorrows to those victims who use the courts to try to find redress. Now, most Americans are thankfully not lawyers and they are not victims. And we are grateful and thank God for that. But for the organizations who do represent victims, this has been a very bad day, whether it is the American Cancer Society that opposes this legislation because they represent victims of cancer. A bad day for them. It has been a bad day for those who advocate against water pollution like Clean Water Action. It has been a very bad day because they oppose this bill.

This bill is also a setback for those who advocate for seniors who have been victims, for those who advocate on behalf of women who have been victims. All of these groups are against this bill.

This has also been a very bad day for anyone in this Chamber who calls themselves a conservative. This has been a very bad day for you, because for all of the efforts that you put in to returning power to the States, returning power to individuals, this bill does the exact opposite. It says that the people in our local States, the people in our State courts are simply not smart enough to handle these cases. They are simply not sophisticated enough. We trust them to put them in charge of choosing their Congressman, but we do not trust them on a jury. No, that is too big a mistake. So we take out of the hands of about the 50,000 State courts and give them to about 1,500 Federal judges.

This is a huge setback for all of you who support stronger State government.

This has also been a very bad day for anyone who wants to be intellectually consistent. Was it not about 2 weeks ago you voted on putting a cap on the amount that victims can get, and now you come up here with your charts saying, oh, it is terrible how little victims are getting.

There is a reason victims are getting 35 cents, 40 cents, $1, $2.50. It is because there are millions and hundreds of thousands of victims in these cases all chopping up the 5-, 6-, 7-, $8 million claims. So it is a very bad day if you want to be consistent.

Although, any of those who claim about how low the amount that victims are getting, I look forward to a bill on this floor sometime in the near future putting a minimum amount that victims have to get in these cases. By the way, I will vote for that. You can sign me up as a cosponsor.

While I cannot improve the day for those groups, if there are some of you in this body who see that this is a terrible power grab, for those of you who do not mind the power grab against the States, who do not mind sticking it to victims, who do not mind flogging yourself as a lawyer, who do not mind being inconsistent conservatives, there are a couple of ways to improve the bill in case you do not want to be a pig.

If you do not want to be a pig about it, there are two things in this bill that no one asked for, were not in the original version of the bill, and really are an affront to our basic elements of fairness. One is the element that says you can have retroactive effects of this bill, meaning taking things that are presently going through the process, even if they are due to be judged tomorrow, and sending them back; and the second

is the provision that gives mandatory appeal on the certification of a class.

What that will have the effect of doing is that at any point in the process, if someone wanted to challenge the certification of a class, whether it be Enron or WorldCom, if they are in the case right now, even if it is in the Federal court, this will allow them to stop everything in its tracks and go back on appeal.

By the way, for those of you who think that the lower courts get overturned a lot on appeal, it has never happened. It has never happened.

So these are two minor ways for those of you who spend so much time flogging yourself because you are such evil lawyers to be able to vote for this bill and improve it in a minor way. This does not make this a good bill. That is too much to hope for in this Congress in this day and age. But what it will do is make it a little less offensive to those victims who are now waiting for some redress to that grievance.

Mr. Speaker, I yield back the balance of my time.

Mr. SENSENBRENNER. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is unfortunate that the gentleman from New York (Mr. WEINER) did not spend more time talking about his motion to recommit. And I can understand why he did not do it. Because it opens up two big loopholes in this bill to allow the minority of the bar that abused the class action laws to continue to be on the gravy train.

I will tell you how he proposes to do it. First of all, he changes the effective date of the bill. What the bill says is that any class action where the class has not been certified will go under the new rules.

The motion to recommit changes that. It says that the new rules become effective as of the date of enactment of the bill. And this will result in a rush to the courthouse in Madison County, Illinois and the other class action mills to get cases filed so that they will be exempt from the modest civil action court reforms that are contained in H.R. 1115.

Now, the other red herring that is in this motion to recommit is that it takes away the so-called interlocutory appeal. This has nothing to do with Enron or WorldCom or any other firm or individual that is in bankruptcy. They are already in the Federal bankruptcy court, and all civil litigation against them in State or Federal courts is stayed and the bankruptcy court decides those claims. But interlocutory appeals are not the bad things that we hear from the gentleman from New York (Mr. WEINER).

The average time to decide an appeal for all types of cases nationwide is 10.7 months. The average time for a merits ruling and class certification appeals in the Seventh Circuit, which includes Illinois, is only 3.2 months. So you are not talking about having justice be unduly delayed. These appeals are decided promptly, even in a very busy circuit. This motion is a red herring. It should be defeated.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. WEINER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of final passage.

The vote was taken by electronic device, and there were—ayes 185, noes 240, not voting 9, as follows:

[Roll No. 271]

AYES—185

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Duncan
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Marshall
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—240

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Ackerman
Cubin
Eshoo
Gephardt
Johnson (CT)
Markey
Payne
Royce
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. OSE) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1516

Mr. HOEKSTRA changed his vote from ''aye'' to ''no.''

Mr. BLUMENAUER changed his vote from ''no'' to ''aye.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. OSE). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 253, nays 170, not voting 11, as follows:

[Roll No. 272]

YEAS—253

Aderholt
Akin
Alexander
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Case
Castle
Chabot
Chocola
Coble
Cole
Collins
Cooper
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doyle
Dreier
Duncan
Dunn
Ehlers
Emanuel
Emerson
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hill
Hobson
Hoekstra
Holden
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Majette
Manzullo
Matheson
McCarthy (NY)
McCotter
McCrery
McInnis
McKeon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller, Gary
Moore
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Toomey
Turner (OH)
Turner (TX)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

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Abercrombie
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Clay
Clyburn
Conyers
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doolittle
Engel
English
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gonzalez
Green (TX)
Grijalva
Gutierrez
Hastings (FL)
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (NY)
Kleczka
Kucinich
Lampson
Langevin
Lantos
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy (MO)
McCollum
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—11

Ackerman
Cubin
Edwards
Eshoo
Gephardt
Johnson (CT)
McDermott
McHugh
Smith (WA)
Tiahrt
Watson

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1523

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. TIAHRT. Mr. Speaker, in rollcall No. 272 I was unavoidably detained. Had I been present, I would have voted, ''yea.''

Stated against:

Mr. EDWARDS. Mr. Speaker, I missed rollcall No. 272. Had I been present, I would have voted, ''nay.''

CONFERENCE REPORT ON S. 342, KEEPING CHILDREN AND FAMILIES SAFE ACT OF 2003

Mr. BOEHNER submitted the following conference report and statement on the Senate bill (S. 342) to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes:

CONFERENCE REPORT (H. REPT. 108–150)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 342), to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, 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 Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

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

(a) SHORT TITLE.—This Act may be cited as the ''Keeping Children and Families Safe Act of 2003''.

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

Sec. 1. Short title; table of contents.

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

Sec. 101. Findings.

Subtitle A—General Program

Sec. 111. National clearinghouse for information relating to child abuse.
Sec. 112. Research and assistance activities and demonstrations.
Sec. 113. Grants to States and public or private agencies and organizations.
Sec. 114. Grants to States for child abuse and neglect prevention and treatment programs.
Sec. 115. Grants to States for programs relating to the investigation and prosecution of child abuse and neglect cases.
Sec. 116. Miscellaneous requirements relating to assistance.
Sec. 117. Authorization of appropriations.
Sec. 118. Reports.

Subtitle B—Community-Based Grants for the Prevention of Child Abuse

Sec. 121. Purpose and authority.
Sec. 122. Eligibility.
Sec. 123. Amount of grant.
Sec. 124. Existing grants.
Sec. 125. Application.
Sec. 126. Local program requirements.
Sec. 127. Performance measures.
Sec. 128. National network for community-based family resource programs.

Sec. 129. Definitions.
Sec. 130. Authorization of appropriations.
Subtitle C—Conforming Amendments
Sec. 141. Conforming amendments.
TITLE II—ADOPTION OPPORTUNITIES
Sec. 201. Congressional findings and declaration of purpose.
Sec. 202. Information and services.
Sec. 203. Study of adoption placements.
Sec. 204. Studies on successful adoptions.
Sec. 205. Authorization of appropriations.
TITLE III—ABANDONED INFANTS ASSISTANCE
Sec. 301. Findings.
Sec. 302. Establishment of local projects.
Sec. 303. Evaluations, study, and reports by Secretary.
Sec. 304. Authorization of appropriations.
Sec. 305. Definitions.
Sec. 306. Conforming amendment.
TITLE IV—FAMILY VIOLENCE PREVENTION AND SERVICES ACT
Sec. 401. State demonstration grants.
Sec. 402. Secretarial responsibilities.
Sec. 403. Evaluation.
Sec. 404. Information and technical assistance centers.
Sec. 405. Related assistance.
Sec. 406. Authorization of appropriations.
Sec. 407. Grants for State domestic violence coalitions.
Sec. 408. Evaluation and monitoring.
Sec. 409. Family member abuse information and documentation project.
Sec. 410. Model State leadership grants.
Sec. 411. National domestic violence hotline and internet grant.
Sec. 412. Youth education and domestic violence.
Sec. 413. Demonstration grants for community initiatives.
Sec. 414. Transitional housing assistance.
Sec. 415. Technical and conforming amendments.
Sec. 416. Conforming amendment to another Act.

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. FINDINGS.

Section 2 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 note) is amended—

(1) in paragraph (1), by striking ''close to 1,000,000'' and inserting ''approximately 900,000'';

(2) by redesignating paragraphs (2) through (11) as paragraphs (4) through (13), respectively;

(3) by inserting after paragraph (1) the following:

''(2)(A) more children suffer neglect than any other form of maltreatment; and

''(B) investigations have determined that approximately 60 percent of children who were victims of maltreatment in 2001 suffered neglect, 19 percent suffered physical abuse, 10 percent suffered sexual abuse, and 7 percent suffered emotional maltreatment;

''(3)(A) child abuse can result in the death of a child;

''(B) in 2001, an estimated 1,300 children were counted by child protection services to have died as a result of abuse or neglect; and

''(C) children younger than 1 year old comprised 41 percent of child abuse fatalities and 85 percent of child abuse fatalities were younger than 6 years of age;'';

(4) by striking paragraph (4) (as so redesignated), and inserting the following:

''(4)(A) many of these children and their families fail to receive adequate protection and treatment; and

''(B) slightly less than half of these children (42 percent in 2001) and their families fail to receive adequate protection or treatment;'';

(5) in paragraph (5) (as so redesignated)—

(A) in subparagraph (A), by striking ''organizations'' and inserting ''community-based organizations'';

(B) in subparagraph (D), by striking ''ensures'' and all that follows through ''knowledge,'' and inserting ''recognizes the need for properly trained staff with the qualifications needed''; and

(C) in subparagraph (E), by inserting before the semicolon the following: '', which may impact child rearing patterns, while at the same time, not allowing those differences to enable abuse'';

(6) in paragraph (7) (as so redesignated), by striking ''this national child and family emergency'' and inserting ''child abuse and neglect''; and

(7) in paragraph (9) (as so redesignated)—

(A) by striking ''intensive'' and inserting ''needed''; and

(B) by striking ''if removal has taken place'' and inserting ''where appropriate''.

Subtitle A—General Program

SEC. 111. NATIONAL CLEARINGHOUSE FOR INFORMATION RELATING TO CHILD ABUSE.

(a) FUNCTIONS.—Section 103(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5104(b)) is amended—

(1) in paragraph (1), by striking ''all programs,'' and all that follows through ''neglect; and'' and inserting ''all effective programs, including private and community-based programs, that show promise of success with respect to the prevention, assessment, identification, and treatment of child abuse and neglect and hold the potential for broad scale implementation and replication;'';

(2) in paragraph (2), by striking the period and inserting a semicolon;

(3) by redesignating paragraph (2) as paragraph (3);

(4) by inserting after paragraph (1) the following:

''(2) maintain information about the best practices used for achieving improvements in child protective systems;''; and

(5) by adding at the end the following:

''(4) provide technical assistance upon request that may include an evaluation or identification of—

''(A) various methods and procedures for the investigation, assessment, and prosecution of child physical and sexual abuse cases;

''(B) ways to mitigate psychological trauma to the child victim; and

''(C) effective programs carried out by the States under this Act; and

''(5) collect and disseminate information relating to various training resources available at the State and local level to—

''(A) individuals who are engaged, or who intend to engage, in the prevention, identification, and treatment of child abuse and neglect; and

''(B) appropriate State and local officials to assist in training law enforcement, legal, judicial, medical, mental health, education, and child welfare personnel.''.

(b) COORDINATION WITH AVAILABLE RESOURCES.—Section 103(c)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5104(c)(1)) is amended—

(1) in subparagraph (E), by striking ''105(a); and'' and inserting ''104(a);'';

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following:

''(F) collect and disseminate information that describes best practices being used throughout the Nation for making appropriate referrals related to, and addressing, the physical, developmental, and mental health needs of abused and neglected children; and''.

SEC. 112. RESEARCH AND ASSISTANCE ACTIVITIES AND DEMONSTRATIONS.

(a) RESEARCH.—Section 104(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105(a)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), in the first sentence, by inserting '', including longitudinal research,'' after ''interdisciplinary program of research''; and

(B) in subparagraph (B), by inserting before the semicolon the following: '', including the effects of abuse and neglect on a child's development and the identification of successful early intervention services or other services that are needed'';

(C) in subparagraph (C)—

(i) by striking ''judicial procedures'' and inserting ''judicial systems, including multidisciplinary, coordinated decisionmaking procedures''; and

(ii) by striking ''and'' at the end; and

(D) in subparagraph (D)—

(i) in clause (viii), by striking ''and'' at the end;

(ii) by redesignating clause (ix) as clause (x); and

(iii) by inserting after clause (viii), the following:

''(ix) the incidence and prevalence of child maltreatment by a wide array of demographic characteristics such as age, sex, race, family structure, household relationship (including the living arrangement of the resident parent and family size), school enrollment and education attainment, disability, grandparents as caregivers, labor force status, work status in previous year, and income in previous year; and'';

(E) by redesignating subparagraph (D) as subparagraph (I); and

(F) by inserting after subparagraph (C), the following:

''(D) the evaluation and dissemination of best practices consistent with the goals of achieving improvements in the child protective services systems of the States in accordance with paragraphs (1) through (12) of section 106(a);

''(E) effective approaches to interagency collaboration between the child protection system and the juvenile justice system that improve the delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems;

''(F) an evaluation of the redundancies and gaps in the services in the field of child abuse and neglect prevention in order to make better use of resources;

''(G) the nature, scope, and practice of voluntary relinquishment for foster care or State guardianship of low income children who need health services, including mental health services;

''(H) the information on the national incidence of child abuse and neglect specified in clauses (i) through (xi) of subparagraph (H); and'';

(2) in paragraph (2), by striking subparagraph (B) and inserting the following:

''(B) Not later than 2 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, and every 2 years thereafter, the Secretary shall provide an opportunity for public comment concerning the priorities proposed under subparagraph (A) and maintain an official record of such public comment.'';

(3) by redesignating paragraph (2) as paragraph (4);

(4) by inserting after paragraph (1) the following:

''(2) RESEARCH.—The Secretary shall conduct research on the national incidence of child abuse and neglect, including the information on the national incidence on child abuse and neglect specified in subparagraphs (i) through (ix) of paragraph (1)(I).

''(3) REPORT.—Not later than 4 years after the date of the enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate a report that contains the results of the research conducted under paragraph (2).''.

(b) PROVISION OF TECHNICAL ASSISTANCE.—Section 104(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''nonprofit private agencies and'' and inserting ''private agencies and community-based''; and

(B) by inserting '', including replicating successful program models,'' after ''programs and activities''; and

(2) in paragraph (2)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(D) effective approaches being utilized to link child protective service agencies with health care, mental health care, and developmental services to improve forensic diagnosis and health evaluations, and barriers and shortages to such linkages.''.

(c) DEMONSTRATION PROGRAMS AND PROJECTS.—Section 104 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5105) is amended by adding at the end the following:

''(e) DEMONSTRATION PROGRAMS AND PROJECTS.—The Secretary may award grants to, and enter into contracts with, States or public or private agencies or organizations (or combinations of such agencies or organizations) for time-limited, demonstration projects for the following:

''(1) PROMOTION OF SAFE, FAMILY-FRIENDLY PHYSICAL ENVIRONMENTS FOR VISITATION AND EXCHANGE.—The Secretary may award grants under this subsection to entities to assist such entities in establishing and operating safe, family-friendly physical environments—

''(A) for court-ordered, supervised visitation between children and abusing parents; and

''(B) to safely facilitate the exchange of children for visits with noncustodial parents in cases of domestic violence.

''(2) EDUCATION IDENTIFICATION, PREVENTION, AND TREATMENT.—The Secretary may award grants under this subsection to entities for projects that provide educational identification, prevention, and treatment services in cooperation with preschool and elementary and secondary schools.

''(3) RISK AND SAFETY ASSESSMENT TOOLS.—The Secretary may award grants under this subsection to entities for projects that provide for the development of research-based strategies for risk and safety assessments relating to child abuse and neglect.

''(4) TRAINING.—The Secretary may award grants under this subsection to entities for projects that involve research-based strategies for innovative training for mandated child abuse and neglect reporters.''.

SEC. 113. GRANTS TO STATES AND PUBLIC OR PRIVATE AGENCIES AND ORGANIZATIONS.

(a) DEMONSTRATION PROGRAMS AND PROJECTS.—Section 105(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(a)) is amended—

(1) in the subsection heading, by striking ''DEMONSTRATION'' and inserting ''GRANTS FOR'';

(2) in the matter preceding paragraph (1)—

(A) by inserting ''States,'' after ''contracts with,'';

(B) by striking ''nonprofit''; and

(C) by striking ''time limited, demonstration'';

(3) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking ''nonprofit'';

(B) in subparagraph (A), by striking ''law, education, social work, and other relevant fields'' and inserting ''law enforcement, judiciary, social work and child protection, education, and other relevant fields, or individuals such as court appointed special advocates (CASAs) and guardian ad litem,'';

(C) in subparagraph (B), by striking ''nonprofit'' and all that follows through ''; and'' and inserting ''children, youth and family service organizations in order to prevent child abuse and neglect;'';

(D) in subparagraph (C), by striking the period and inserting a semicolon; and

(E) by adding at the end the following:

''(D) for training to support the enhancement of linkages between child protective service agencies and health care agencies, including physical and mental health services, to improve forensic diagnosis and health evaluations and for innovative partnerships between child protective service agencies and health care agencies that offer creative approaches to using existing Federal, State, local, and private funding to meet the health evaluation needs of children who have been subjects of substantiated cases of child abuse or neglect;

''(E) for the training of personnel in best practices to promote collaboration with the families from the initial time of contact during the investigation through treatment;

''(F) for the training of personnel regarding the legal duties of such personnel and their responsibilities to protect the legal rights of children and families;

''(G) for improving the training of supervisory and nonsupervisory child welfare workers;

''(H) for enabling State child welfare agencies to coordinate the provision of services with State and local health care agencies, alcohol and drug abuse prevention and treatment agencies, mental health agencies, and other public and private welfare agencies to promote child safety, permanence, and family stability;

''(I) for cross training for child protective service workers in research-based strategies for recognizing situations of substance abuse, domestic violence, and neglect; and

''(J) for developing, implementing, or operating information and education programs or training programs designed to improve the provision of services to disabled infants with life-threatening conditions for—

''(i) professionals and paraprofessional personnel concerned with the welfare of disabled infants with life-threatening conditions, including personnel employed in child protective services programs and health care facilities; and

''(ii) the parents of such infants.'';

(4) by redesignating paragraph (2) and (3) as paragraphs (3) and (4), respectively;

(5) by inserting after paragraph (1), the following:

''(2) TRIAGE PROCEDURES.—The Secretary may award grants under this subsection to public and private agencies that demonstrate innovation in responding to reports of child abuse and neglect, including programs of collaborative partnerships between the State child protective services agency, community social service agencies and family support programs, law enforcement agencies, developmental disability agencies, substance abuse treatment entities, health care entities, domestic violence prevention entities, mental health service entities, schools, churches and synagogues, and other community agencies, to allow for the establishment of a triage system that—

''(A) accepts, screens, and assesses reports received to determine which such reports require an intensive intervention and which require voluntary referral to another agency, program, or project;

''(B) provides, either directly or through referral, a variety of community-linked services to assist families in preventing child abuse and neglect; and

''(C) provides further investigation and intensive intervention where the child's safety is in jeopardy.'';

(6) in paragraph (3) (as so redesignated), by striking ''nonprofit organizations (such as Parents Anonymous)'' and inserting ''organizations'';

(7) in paragraph (4) (as so redesignated)—

(A) by striking the paragraph heading;

(B) by striking subparagraphs (A) and (C); and

(C) in subparagraph (B)—

(i) by striking ''(B) KINSHIP CARE.—'' and inserting the following:

''(4) KINSHIP CARE.—

''(A) IN GENERAL.—''; and

(ii) by striking ''nonprofit''; and

(8) by adding at the end the following:

''(5) LINKAGES BETWEEN CHILD PROTECTIVE SERVICE AGENCIES AND PUBLIC HEALTH, MENTAL HEALTH, AND DEVELOPMENTAL DISABILITIES AGENCIES.—The Secretary may award grants to entities that provide linkages between State or local child protective service agencies and public health, mental health, and developmental disabilities agencies, for the purpose of establishing linkages that are designed to help assure that a greater number of substantiated victims of child maltreatment have their physical health, mental health, and developmental needs appropriately diagnosed and treated, in accordance with all applicable Federal and State privacy laws.''.

(b) DISCRETIONARY GRANTS.—Section 105(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(b)) is amended—

(1) in the matter preceding paragraph (1), by striking ''subsection (b)'' and inserting ''subsection (a)'';

(2) by striking paragraph (1);

(3) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(4) by inserting after paragraph (2) (as so redesignated), the following:

''(3) Programs based within children's hospitals or other pediatric and adolescent care facilities, that provide model approaches for improving medical diagnosis of child abuse and neglect and for health evaluations of children for whom a report of maltreatment has been substantiated.''; and

(5) in paragraph (4)(D), by striking ''nonprofit''.

(c) EVALUATION.—Section 105(c) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106(c)) is amended—

(1) in the first sentence, by striking ''demonstration'';

(2) in the second sentence, by inserting ''or contract'' after ''or as a separate grant''; and

(3) by adding at the end the following: ''In the case of an evaluation performed by the recipient of a grant, the Secretary shall make available technical assistance for the evaluation, where needed, including the use of a rigorous application of scientific evaluation techniques.''.

(d) TECHNICAL AMENDMENT TO HEADING.—The section heading for section 105 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106) is amended to read as follows:

''SEC. 105. GRANTS TO STATES AND PUBLIC OR PRIVATE AGENCIES AND ORGANIZATIONS.''.

SEC. 114. GRANTS TO STATES FOR CHILD ABUSE AND NEGLECT PREVENTION AND TREATMENT PROGRAMS.

(a) DEVELOPMENT AND OPERATION GRANTS.—Section 106(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(a)) is amended—

(1) in paragraph (3)—

(A) by inserting '', including ongoing case monitoring,'' after ''case management''; and

(B) by inserting ''and treatment'' after ''and delivery of services'';

(2) in paragraph (4), by striking ''improving'' and all that follows through ''referral systems'' and inserting ''developing, improving, and implementing risk and safety assessment tools and protocols'';

(3) by striking paragraph (7);

(4) by redesignating paragraphs (5), (6), (8), and (9) as paragraphs (6), (8), (9), and (12), respectively;

(5) by inserting after paragraph (4), the following:

''(5) developing and updating systems of technology that support the program and track reports of child abuse and neglect from intake through final disposition and allow interstate and intrastate information exchange;'';

(6) in paragraph (6) (as so redesignated), by striking ''opportunities'' and all that follows through ''system'' and inserting ''including—

''(A) training regarding research-based strategies to promote collaboration with the families;

''(B) training regarding the legal duties of such individuals; and

''(C) personal safety training for case workers;'';

(7) by inserting after paragraph (6) (as so redesignated) the following:

''(7) improving the skills, qualifications, and availability of individuals providing services to children and families, and the supervisors of such individuals, through the child protection system, including improvements in the recruitment and retention of caseworkers;'';

(8) by striking paragraph (9) (as so redesignated), and inserting the following:

''(9) developing and facilitating research-based strategies for training for individuals mandated to report child abuse or neglect;

''(10) developing, implementing, or operating programs to assist in obtaining or coordinating necessary services for families of disabled infants with life-threatening conditions, including—

''(A) existing social and health services;

''(B) financial assistance; and

''(C) services necessary to facilitate adoptive placement of any such infants who have been relinquished for adoption;

''(11) developing and delivering information to improve public education relating to the role and responsibilities of the child protection system and the nature and basis for reporting suspected incidents of child abuse and neglect;'';

(9) in paragraph (12) (as so redesignated), by striking the period and inserting a semicolon; and

(10) by adding at the end the following:

''(13) supporting and enhancing interagency collaboration between the child protection system and the juvenile justice system for improved delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems; or

''(14) supporting and enhancing collaboration among public health agencies, the child protection system, and private community-based programs to provide child abuse and neglect prevention and treatment services (including linkages with education systems) and to address the health needs, including mental health needs, of children identified as abused or neglected, including supporting prompt, comprehensive health and developmental evaluations for children who are the subject of substantiated child maltreatment reports.''.

(b) ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—Section 106(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(b)) is amended—

(A) in paragraph (1)(B)—

(i) by striking ''provide notice to the Secretary of any substantive changes'' and inserting the following: ''provide notice to the Secretary—

''(i) of any substantive changes; and'';

(ii) by striking the period and inserting ''; and''; and

(iii) by adding at the end the following:

''(ii) any significant changes to how funds provided under this section are used to support the activities which may differ from the activities as described in the current State application.'';

(B) in paragraph (2)(A)—

(i) by redesignating clauses (ii), (iii), (iv), (v), (vi), (vii), (viii), (ix), (x), (xi), (xii), and (xiii) as clauses (iv), (vi), (vii), (viii), (x), (xi), (xii), (xiii), (xiv), (xv), (xvi) and (xvii), respectively;

(ii) by inserting after clause (i), the following:

''(ii) policies and procedures (including appropriate referrals to child protection service systems and for other appropriate services) to address the needs of infants born and identified as being affected by illegal substance abuse or withdrawal symptoms resulting from prenatal drug exposure, including a requirement that health care providers involved in the delivery or care of such infants notify the child protective services system of the occurrence of such condition in such infants, except that such notification shall not be construed to—

''(I) establish a definition under Federal law of what constitutes child abuse; or

''(II) require prosecution for any illegal action;

''(iii) the development of a plan of safe care for the infant born and identified as being affected by illegal substance abuse or withdrawal symptoms;'';

(iii) in clause (iv) (as so redesignated), by inserting ''risk and'' before ''safety'';

(iv) by inserting after clause (iv) (as so redesignated), the following:

''(v) triage procedures for the appropriate referral of a child not at risk of imminent harm to a community organization or voluntary preventive service;'';

(v) in clause (viii)(II) (as so redesignated), by striking '', having a need for such information in order to carry out its responsibilities under law to protect children from abuse and neglect'' and inserting '', as described in clause (ix)'';

(vi) by inserting after clause (viii) (as so redesignated), the following:

''(ix) provisions to require a State to disclose confidential information to any Federal, State, or local government entity, or any agent of such entity, that has a need for such information in order to carry out its responsibilities under law to protect children from abuse and neglect;'';

(vii) in clause (xiii) (as so redesignated)—

(I) by inserting ''who has received training appropriate to the role, and'' after ''guardian ad litem,''; and

(II) by inserting ''who has received training appropriate to that role'' after ''advocate'';

(viii) in clause (xv) (as so redesignated), by striking ''to be effective not later than 2 years after the date of enactment of this section'';

(ix) in clause (xvi) (as so redesignated)—

(I) by striking ''to be effective not later than 2 years after the date of enactment of this section''; and

(II) by striking ''and'' at the end;

(x) in clause (xvii) (as so redesignated), by striking ''clause (xii)'' each place that such appears and inserting ''clause (xvi)''; and

(xi) by adding at the end the following:

''(xviii) provisions and procedures to require that a representative of the child protective services agency shall, at the initial time of contact with the individual subject to a child abuse and neglect investigation, advise the individual of the complaints or allegations made against the individual, in a manner that is consistent with laws protecting the rights of the informant;

''(xix) provisions addressing the training of representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing such representatives of such duties, in order to protect the legal rights and safety of children and families from the initial time of contact during investigation through treatment;

''(xx) provisions and procedures for improving the training, retention, and supervision of caseworkers;

''(xxi) provisions and procedures for referral of a child under the age of 3 who is involved in a substantiated case of child abuse or neglect to early intervention services funded under part C of the Individuals with Disabilities Education Act; and

''(xxii) not later than 2 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, provisions and procedures for requiring criminal background record checks for prospective foster and adoptive parents and other adult relatives and non-relatives residing in the household;''; and

(C) in paragraph (2), by adding at the end the following flush sentence:

''Nothing in subparagraph (A) shall be construed to limit the State's flexibility to determine State policies relating to public access to court proceedings to determine child abuse and neglect, except that such policies shall, at a minimum, ensure the safety and well-being of the child, parents, and families.''.

(2) LIMITATION.—Section 106(b)(3) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(b)(3)) is amended by striking ''With regard to clauses (v) and (vi) of paragraph (2)(A)'' and inserting ''With regard to clauses (vi) and (vii) of paragraph (2)(A)''.

(c) CITIZEN REVIEW PANELS.—Section 106(c) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(c)) is amended—

(1) in paragraph (4)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking ''and procedures'' and inserting '', procedures, and practices''; and

(II) by striking ''the agencies'' and inserting ''State and local child protection system agencies''; and

(ii) in clause (iii)(I), by striking ''State'' and inserting ''State and local''; and

(B) by adding at the end the following:

''(C) PUBLIC OUTREACH.—Each panel shall provide for public outreach and comment in order to assess the impact of current procedures and practices upon children and families in the community and in order to meet its obligations under subparagraph (A).''; and

(2) in paragraph (6)—

(A) by striking ''public'' and inserting ''State and the public''; and

(B) by inserting before the period the following: ''and recommendations to improve the child protection services system at the State and local levels. Not later than 6 months after the date on which a report is submitted by the panel to the State, the appropriate State agency shall submit a written response to State and local child protection systems and the citizen review panel that describes whether or how the State will incorporate the recommendations of such panel (where appropriate) to make measurable progress in improving the State and local child protective system''.

(d) ANNUAL STATE DATA REPORTS.—Section 106(d) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(d)) is amended by adding at the end the following:

''(13) The annual report containing the summary of the activities of the citizen review panels of the State required by subsection (c)(6).

''(14) The number of children under the care of the State child protection system who are transferred into the custody of the State juvenile justice system.''.

(e) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to Congress a report that describes the extent to which States are implementing the policies and procedures required under section 106(b)(2)(B)(ii) of the Child Abuse Prevention and Treatment Act.

SEC. 115. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.

Section 107(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106c(a)) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(4) the handling of cases involving children with disabilities or serious health-related problems who are victims of abuse or neglect.''.

SEC. 116. MISCELLANEOUS REQUIREMENTS RELATING TO ASSISTANCE.

Section 108 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106d) is amended by adding at the end the following:

''(d) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary should encourage all States and public and private agencies or organizations that receive assistance under this title to ensure that children and families with limited English proficiency who participate in programs under this title are provided materials and services under such programs in an appropriate language other than English.

''(e) ANNUAL REPORT.—A State that receives funds under section 106(a) shall annually prepare and submit to the Secretary a report describing the manner in which funds provided under this Act, alone or in combination with other Federal funds, were used to address the purposes and achieve the objectives of section 106.''.

SEC. 117. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—Section 112(a)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106h(a)(1)) is amended to read as follows:

''(1) GENERAL AUTHORIZATION.—There are authorized to be appropriated to carry out this title $120,000,000 for fiscal year 2004 and such sums as may be necessary for each of the fiscal years 2005 through 2008.''.

(b) DEMONSTRATION PROJECTS.—Section 112(a)(2)(B) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106h(a)(2)(B)) is amended—

(1) by striking ''Secretary make'' and inserting ''Secretary shall make''; and

(2) by striking ''section 106'' and inserting ''section 104''.

SEC. 118. REPORTS.

Section 110 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106f) is amended by adding at the end the following:

''(c) STUDY AND REPORT RELATING TO CITIZEN REVIEW PANELS.—

''(1) STUDY.—The Secretary shall conduct a study by random sample of the effectiveness of the citizen review panels established under section 106(c).

''(2) REPORT.—Not later than 3 years after the date of enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that contains the results of the study conducted under paragraph (1).''.

Subtitle B—Community-Based Grants for the Prevention of Child Abuse

SEC. 121. PURPOSE AND AUTHORITY.

(a) PURPOSE.—Section 201(a)(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116(a)(1)) is amended to read as follows:

''(1) to support community-based efforts to develop, operate, expand, enhance, and, where appropriate to network, initiatives aimed at the prevention of child abuse and neglect, and to support networks of coordinated resources and activities to better strengthen and support families to reduce the likelihood of child abuse and neglect; and''.

(b) AUTHORITY.—Section 201(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116(b)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A) by striking ''Statewide'' and all that follows through the dash, and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate) that are accessible, effective, culturally appropriate, and build upon existing strengths-that—'';

(B) in subparagraph (F), by striking ''and'' at the end; and

(C) by striking subparagraph (G) and inserting the following:

''(G) demonstrate a commitment to meaningful parent leadership, including among parents of children with disabilities, parents with disabilities, racial and ethnic minorities, and members of other underrepresented or underserved groups; and

''(H) provide referrals to early health and developmental services;''; and

(2) in paragraph (4)—

(A) by inserting ''through leveraging of funds'' after ''maximizing funding'';

(B) by striking ''a Statewide network of community-based, prevention-focused'' and inserting ''community-based and prevention-focused''; and

(C) by striking ''family resource and support program'' and inserting ''programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)''.

(c) TECHNICAL AMENDMENT TO TITLE HEADING.—Title II of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116) is amended by striking the heading for such title and inserting the following:

''TITLE II—COMMUNITY–BASED GRANTS FOR THE PREVENTION OF CHILD ABUSE AND NEGLECT''.

SEC. 122. ELIGIBILITY.

Section 202 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116a) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking ''a Statewide network of community-based, prevention-focused'' and inserting ''community-based and prevention-focused''; and

(ii) by striking ''family resource and support programs'' and all that follows through the semicolon and inserting ''programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate);''

(B) in subparagraph (B), by inserting ''that exists to strengthen and support families to prevent child abuse and neglect'' after ''written authority of the State)'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''a network of community-based family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(B) in subparagraph (B)—

(i) by striking ''to the network''; and

(ii) by inserting '', and parents with disabilities'' before the semicolon;

(C) in subparagraph (C), by striking ''to the network''; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(B) in subparagraph (B), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(C) in subparagraph (C), by striking ''and training and technical assistance, to the Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''training, technical assistance, and evaluation assistance, to community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)''; and

(D) in subparagraph (D), by inserting '', parents with disabilities,'' after ''children with disabilities''.

SEC. 123. AMOUNT OF GRANT.

Section 203 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116b) is amended—

(1) in subsection (b)(1)(B)—

(A) by striking ''as the amount leveraged by the State from private, State, or other non-Federal sources and directed through the'' and inserting ''as the amount of private, State or other non-Federal funds leveraged and directed through the currently designated'';

(B) by striking ''State lead agency'' and inserting ''State lead entity''; and

(C) by striking ''the lead agency'' and inserting ''the current lead entity''; and

(2) in subsection (c)(2), by striking ''subsection (a)'' and inserting ''subsection (b)''.

SEC. 124. EXISTING GRANTS.

Section 204 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5115c) is repealed.

SEC. 125. APPLICATION.

Section 205 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116d) is amended—

(1) in paragraph (1), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)'';

(2) in paragraph (2)—

(A) by striking ''network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)''; and

(B) by striking '', including those funded by programs consolidated under this Act,'';

(3) by striking paragraph (3), and inserting the following:

''(3) a description of the inventory of current unmet needs and current community-based and prevention-focused programs and activities to prevent child abuse and neglect, and other family resource services operating in the State;'';

(4) in paragraph (4), by striking ''State's network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(5) in paragraph (5), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''start up, maintenance, expansion, and redesign of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(6) in paragraph (7), by striking ''individual community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(7) in paragraph (8), by striking ''community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(8) in paragraph (9), by striking ''community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(9) in paragraph (10), by inserting ''(where appropriate)'' after ''members'';

(10) in paragraph (11), by striking ''prevention-focused, family resource and support program'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''; and

(11) by redesignating paragraph (13) as paragraph (12).

SEC. 126. LOCAL PROGRAM REQUIREMENTS.

Section 206(a) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116e(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''prevention-focused, family resource and support programs'' and inserting ''and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(2) in paragraph (3)(B), by inserting ''voluntary home visiting and'' after ''including''; and

(3) by striking paragraph (6) and inserting the following:

''(6) participate with other community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect in the development, operation and expansion of networks where appropriate.''.

SEC. 127. PERFORMANCE MEASURES.

Section 207 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116f) is amended—

(1) in paragraph (1), by striking ''a Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(2) by striking paragraph (3), and inserting the following:

''(3) shall demonstrate that they will have addressed unmet needs identified by the inventory and description of current services required under section 205(3);'';

(3) in paragraph (4),

(A) by inserting ''and parents with disabilities,'' after ''children with disabilities,''; and

(B) by striking ''evaluation of'' the first place it appears and all that follows through ''under this title'' and inserting ''evaluation of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect, and in the design, operation and evaluation of the networks of such community-based and prevention-focused programs'';

(4) in paragraph (5), by striking '', prevention-focused, family resource and support programs'' and inserting ''and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect'';

(5) in paragraph (6), by striking ''Statewide network of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''; and

(6) in paragraph (8), by striking ''community based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''.

SEC. 128. NATIONAL NETWORK FOR COMMUNITY-BASED FAMILY RESOURCE PROGRAMS.

Section 208(3) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116g(3)) is amended by striking ''Statewide networks of community-based, prevention-focused, family resource and support programs'' and inserting ''community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect''.

SEC. 129. DEFINITIONS.

(a) CHILDREN WITH DISABILITIES.—Section 209(1) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116h(1)) is amended by striking ''given such term in section 602(a)(2)'' and inserting ''given the term 'child with a disability' in section 602(3) or 'infant or toddler with a disability' in section 632(5)''.

(b) COMMUNITY-BASED AND PREVENTION-FOCUSED PROGRAMS AND ACTIVITIES TO PREVENT CHILD ABUSE AND NEGLECT.—Section 209 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116h) is amended by striking paragraphs (3) and (4) and inserting the following:

''(3) COMMUNITY-BASED AND PREVENTION-FOCUSED PROGRAMS AND ACTIVITIES TO PREVENT CHILD ABUSE AND NEGLECT.—The term 'community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect' includes organizations such as family resource programs, family support programs, voluntary home visiting programs, respite care programs, parenting education, mutual support programs, and other community programs or networks of such programs that provide activities that are designed to prevent or respond to child abuse and neglect.''.

SEC. 130. AUTHORIZATION OF APPROPRIATIONS.

Section 210 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116i) is amended to read as follows:

''SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this title $80,000,000 for fiscal year 2004 and such sums as may be necessary for each of the fiscal years 2005 through 2008.''.

Subtitle C—Conforming Amendments

SEC. 141. CONFORMING AMENDMENTS.

The table of contents of the Child Abuse Prevention and Treatment Act, as contained in section 1(b) of such Act (42 U.S.C. 5101 note), is amended as follows:

(1) By striking the item relating to section 105 and inserting the following:

''Sec. 105. Grants to States and public or private agencies and organizations.''.

(2) By striking the item relating to title II and inserting the following:

''TITLE II—COMMUNITY-BASED GRANTS FOR THE PREVENTION OF CHILD ABUSE AND NEGLECT''.

(3) By striking the item relating to section 204.

TITLE II—ADOPTION OPPORTUNITIES

SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5111) is amended—

(1) in subsection (a)—

(A) by striking paragraphs (1) through (4) and inserting the following:

''(1) the number of children in substitute care has increased by nearly 24 percent since 1994, as our Nation's foster care population included more than 565,000 as of September of 2001;

''(2) children entering foster care have complex problems that require intensive services, with many such children having special needs because they are born to mothers who did not receive prenatal care, are born with life threatening conditions or disabilities, are born addicted to alcohol or other drugs, or have been exposed to infection with the etiologic agent for the human immunodeficiency virus;

''(3) each year, thousands of children are in need of placement in permanent, adoptive homes;'';

(B) by striking paragraph (6);

(C) by striking paragraph (7)(A) and inserting the following:

''(7)(A) currently, there are 131,000 children waiting for adoption;''; and

(D) by redesignating paragraphs (5), (7), (8), (9), and (10) as paragraphs (4), (5), (6), (7), and (8) respectively; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting '', including geographic barriers,'' after ''barriers''; and

(B) in paragraph (2), by striking ''a national'' and inserting ''an Internet-based national''.

SEC. 202. INFORMATION AND SERVICES.

Section 203 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5113) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 203. INFORMATION AND SERVICES.'';

(2) by striking ''SEC. 203. (a) The Secretary'' and inserting the following:

''(a) IN GENERAL.—The Secretary'';

(3) in subsection (b)—

(A) by inserting ''REQUIRED ACTIVITIES.—'' after ''(b)'';

(B) in paragraph (1), by striking ''nonprofit'' each place that such appears;

(C) in paragraph (2), by striking ''nonprofit'';

(D) in paragraph (3), by striking ''nonprofit'';

(E) in paragraph (4), by striking ''nonprofit'';

(F) in paragraph (6), by striking ''study the nature, scope, and effects of'' and insert ''support'';

(G) in paragraph (7), by striking ''nonprofit'';

(H) in paragraph (9)—

(i) by striking ''nonprofit''; and

(ii) by striking ''and'' at the end;

(I) in paragraph (10)—

(i) by striking ''nonprofit''; each place that such appears; and

(ii) by striking the period at the end and inserting ''; and''; and

(J) by adding at the end the following:

''(11) provide (directly or by grant to or contract with States, local government entities, or public or private licensed child welfare or adoption agencies) for the implementation of programs that are intended to increase the number of older children (who are in foster care and with the goal of adoption) placed in adoptive families, with a special emphasis on child-specific recruitment strategies, including—

''(A) outreach, public education, or media campaigns to inform the public of the needs and numbers of older youth available for adoption;

''(B) training of personnel in the special needs of older youth and the successful strategies of child-focused, child-specific recruitment efforts; and

''(C) recruitment of prospective families for such children.'';

(4) in subsection (c)—

(A) by striking ''(c)(1) The Secretary'' and inserting the following:

''(c) SERVICES FOR FAMILIES ADOPTING SPECIAL NEEDS CHILDREN.—

''(1) IN GENERAL.—The Secretary'';

(B) by striking ''(2) Services'' and inserting the following:

''(2) SERVICES.—Services''; and

(C) in paragraph (2)—

(i) by realigning the margins of subparagraphs (A) through (G) accordingly;

(ii) in subparagraph (F), by striking ''and'' at the end;

(iii) in subparagraph (G), by striking the period and inserting a semicolon; and

(iv) by adding at the end the following:

''(H) day treatment; and

''(I) respite care.''; and

(D) by striking ''nonprofit''; each place that such appears;

(5) in subsection (d)—

(A) by striking ''(d)(1) The Secretary'' and inserting the following:

''(d) IMPROVING PLACEMENT RATE OF CHILDREN IN FOSTER CARE.—

''(1) IN GENERAL.—The Secretary'';

(B) by striking ''(2)(A) Each State'' and inserting the following:

''(2) APPLICATIONS; TECHNICAL AND OTHER ASSISTANCE.—

''(A) APPLICATIONS.—Each State'';

(C) by striking ''(B) The Secretary'' and inserting the following:

''(B) TECHNICAL AND OTHER ASSISTANCE.—The Secretary'';

(D) in paragraph (2)(B)—

(i) by realigning the margins of clauses (i) and (ii) accordingly; and

(ii) by striking ''nonprofit'';

(E) by striking ''(3)(A) Payments'' and inserting the following:

''(3) PAYMENTS.—

''(A) IN GENERAL.—Payments''; and

(F) by striking ''(B) Any payment'' and inserting the following:

''(B) REVERSION OF UNUSED FUNDS.—Any payment''; and

(6) by adding at the end the following:

''(e) ELIMINATION OF BARRIERS TO ADOPTIONS ACROSS JURISDICTIONAL BOUNDARIES.—

''(1) IN GENERAL.—The Secretary shall award grants to, or enter into contracts with, States, local government entities, public or private child welfare or adoption agencies, adoption exchanges, or adoption family groups to carry out initiatives to improve efforts to eliminate barriers to placing children for adoption across jurisdictional boundaries.

''(2) SERVICES TO SUPPLEMENT NOT SUPPLANT.—Services provided under grants made under this subsection shall supplement, not supplant, services provided using any other funds made available for the same general purposes including—

''(A) developing a uniform homestudy standard and protocol for acceptance of homestudies between States and jurisdictions;

''(B) developing models of financing cross-jurisdictional placements;

''(C) expanding the capacity of all adoption exchanges to serve increasing numbers of children;

''(D) developing training materials and training social workers on preparing and moving children across State lines; and

''(E) developing and supporting initiative models for networking among agencies, adoption exchanges, and parent support groups across jurisdictional boundaries.''.

SEC. 203. STUDY OF ADOPTION PLACEMENTS.

Section 204 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5114) is amended—

(1) by striking ''The'' and inserting ''(a) IN GENERAL.—The'';

(2) by striking ''of this Act'' and inserting ''of the Keeping Children and Families Safe Act of 2003'';

(3) by striking ''to determine the nature'' and inserting ''to determine—

''(1) the nature'';

(4) by striking ''which are not licensed'' and all that follows through ''entity'';''; and

(5) by adding at the end the following:

''(2) how interstate placements are being financed across State lines;

''(3) recommendations on best practice models for both interstate and intrastate adoptions; and

''(4) how State policies in defining special needs children differentiate or group similar categories of children.''.

SEC. 204. STUDIES ON SUCCESSFUL ADOPTIONS.

Section 204 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5114) is amended by adding at the end the following:

''(b) DYNAMICS OF SUCCESSFUL ADOPTION.—The Secretary shall conduct research (directly or by grant to, or contract with, public or private nonprofit research agencies or organizations) about adoption outcomes and the factors affecting those outcomes. The Secretary shall submit a report containing the results of such research to the appropriate committees of the Congress not later than the date that is 36 months after the date of the enactment of the Keeping Children and Families Safe Act of 2003.

''(c) INTERJURISDICTIONAL ADOPTION.—Not later than 1 year after the date of the enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall submit to the appropriate committees of the Congress a report that contains recommendations for an action plan to facilitate the interjurisdictional adoption of foster children.''.

SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

Section 205(a) of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5115(a)) is amended to read as follows:

''There are authorized to be appropriated $40,000,000 for fiscal year 2004 and such sums as may be necessary for fiscal years 2005 through 2008 to carry out programs and activities authorized under this subtitle.''.

TITLE III—ABANDONED INFANTS ASSISTANCE

SEC. 301. FINDINGS.

Section 2 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking paragraph (1);

(2) in paragraph (2)—

(A) by inserting ''studies indicate that a number of factors contribute to'' before ''the inability of'';

(B) by inserting ''some'' after ''inability of'';

(C) by striking ''who abuse drugs''; and

(D) by striking ''care for such infants'' and inserting ''care for their infants'';

(3) by amending paragraph (5) to read as follows:

''(5) appropriate training is needed for personnel working with infants and young children with life-threatening conditions and other special needs, including those who are infected with the human immunodeficiency virus (commonly known as 'HIV'), those who have acquired immune deficiency syndrome (commonly known as 'AIDS'), and those who have been exposed to dangerous drugs;'';

(4) by striking paragraphs (6) and (7);

(5) in paragraph (8)—

(A) by striking ''such infants and young children'' and inserting ''infants and young children who are abandoned in hospitals''; and

(B) by inserting ''by parents abusing drugs,'' after ''deficiency syndrome,'';

(6) in paragraph (9), by striking ''comprehensive services'' and all that follows through the semicolon at the end and inserting ''comprehensive support services for such infants and young children and their families and services to prevent the abandonment of such infants and young children, including foster care services, case management services, family support services, respite and crisis intervention services, counseling services, and group residential home services;'';

(7) by striking paragraph (11);

(8) by redesignating paragraphs (2), (3), (4), (5), (8), (9), and (10) as paragraphs (1) through (7), respectively; and

(9) by adding at the end the following:

''(8) private, Federal, State, and local resources should be coordinated to establish and maintain services described in paragraph (7) and to ensure the optimal use of all such resources.''.

SEC. 302. ESTABLISHMENT OF LOCAL PROJECTS.

Section 101 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking the section heading and inserting the following:

''SEC. 101. ESTABLISHMENT OF LOCAL PROJECTS.'';

and

(2) by striking subsection (b) and inserting the following:

''(b) PRIORITY IN PROVISION OF SERVICES.—The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to give priority to abandoned infants and young children who—

''(1) are infected with, or have been perinatally exposed to, the human immunodeficiency virus, or have a life-threatening illness or other special medical need; or

''(2) have been perinatally exposed to a dangerous drug.''.

SEC. 303. EVALUATIONS, STUDY, AND REPORTS BY SECRETARY.

Section 102 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended to read as follows:

''SEC. 102. EVALUATIONS, STUDY, AND REPORTS BY SECRETARY.

''(a) EVALUATIONS OF LOCAL PROGRAMS.—The Secretary shall, directly or through contracts with public and nonprofit private entities, provide for evaluations of projects carried out under section 101 and for the dissemination of information developed as a result of such projects.

''(b) STUDY AND REPORT ON NUMBER OF ABANDONED INFANTS AND YOUNG CHILDREN.—

''(1) IN GENERAL.—The Secretary shall conduct a study for the purpose of determining—

''(A) an estimate of the annual number of infants and young children relinquished, abandoned, or found deceased in the United States and the number of such infants and young children who are infants and young children described in section 101(b);

''(B) an estimate of the annual number of infants and young children who are victims of homicide;

''(C) characteristics and demographics of parents who have abandoned an infant within 1 year of the infant's birth; and

''(D) an estimate of the annual costs incurred by the Federal Government and by State and local governments in providing housing and care for abandoned infants and young children.

''(2) DEADLINE.—Not later than 36 months after the date of enactment of the Keeping Children and Families Safe Act of 2003, the Secretary shall complete the study required under paragraph (1) and submit to Congress a report describing the findings made as a result of the study.

''(c) EVALUATION.—The Secretary shall evaluate and report on effective methods of intervening before the abandonment of an infant or young child so as to prevent such abandonments, and effective methods for responding to the needs of abandoned infants and young children.''.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 104 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) AUTHORIZATION.—For the purpose of carrying out this Act, there are authorized to be appropriated $45,000,000 for fiscal year 2004 and such sums as may be necessary for fiscal years 2005 through 2008.

''(2) LIMITATION.—Not more than 5 percent of the amounts appropriated under paragraph (1) for any fiscal year may be obligated for carrying out section 102(a).'';

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in paragraph (1)—

(i) by inserting ''AUTHORIZATION.—'' after ''(1)'' the first place it appears; and

(ii) by striking ''this title'' and inserting ''this Act''; and

(B) in paragraph (2)—

(i) by inserting ''LIMITATION.—'' after ''(2)''; and

(ii) by striking ''fiscal year 1991.'' and inserting ''fiscal year 2003.''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(b) REDESIGNATION.—The Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended—

(1) by redesignating section 104 as section 302; and

(2) by moving that section 302 to the end of that Act.

SEC. 305. DEFINITIONS.

(a) IN GENERAL.—Section 301 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is amended to read as follows:

"SEC. 301. DEFINITIONS.

''In this Act:

''(1) ABANDONED; ABANDONMENT.—The terms 'abandoned' and 'abandonment', used with respect to infants and young children, mean that the infants and young children are medically cleared for discharge from acute-care hospital settings, but remain hospitalized because of a lack of appropriate out-of-hospital placement alternatives.

''(2) ACQUIRED IMMUNE DEFICIENCY SYNDROME.—The term 'acquired immune deficiency syndrome' includes infection with the etiologic agent for such syndrome, any condition indicating that an individual is infected with such etiologic agent, and any condition arising from such etiologic agent.

''(3) DANGEROUS DRUG.—The term 'dangerous drug' means a controlled substance, as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

''(4) NATURAL FAMILY.—The term 'natural family' shall be broadly interpreted to include natural parents, grandparents, family members, guardians, children residing in the household, and individuals residing in the household on a continuing basis who are in a care-giving situation, with respect to infants and young children covered under this Act.

''(5) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.''.

(b) REPEAL.—Section 103 of the Abandoned Infants Assistance Act of 1988 (42 U.S.C. 670 note) is repealed.

SEC. 306. CONFORMING AMENDMENT.

Section 421(7) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5061(7)) is amended by striking ''infant described in section 103'' and inserting ''infant who is abandoned, as defined in section 301''.

TITLE IV—FAMILY VIOLENCE PREVENTION AND SERVICES ACT

SEC. 401. STATE DEMONSTRATION GRANTS.

(a) UNDERSERVED POPULATIONS.—Section 303(a)(2)(C) of the Family Violence Prevention and Services Act (42 U.S.C. 10402(a)(2)(C)) is amended by striking ''underserved populations,'' and all that follows and inserting the following: ''underserved populations, as defined in section 2007 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–2);''.

(b) REPORT.—Section 303(a) of such Act (42 U.S.C. 10402(a)) is amended by adding at the end the following:

''(5) Upon completion of the activities funded by a grant under this title, the State shall submit to the Secretary a report that contains a description of the activities carried out under paragraph (2)(B)(i).''.

(c) CHILDREN WHO WITNESS DOMESTIC VIOLENCE.—Section 303 of such Act (42 U.S.C. 10402) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following:

''(c) The Secretary shall use funds provided under section 310(a)(2), for a fiscal year described in section 310(a)(2), to award grants for demonstration programs that provide—

''(1) multisystem interventions and services (either directly or by referral) for children who witness domestic violence; and

''(2) training (either directly or by referral) for agencies, providers, and other entities who work with such children.''.

SEC. 402. SECRETARIAL RESPONSIBILITIES.

Section 305(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10404(a)) is amended—

(1) by striking ''an employee'' and inserting ''1 or more employees'';

(2) by striking ''of this title.'' and inserting ''of this title, including carrying out evaluation and monitoring under this title.''; and

(3) by striking ''The individual'' and inserting ''Any individual''.

SEC. 403. EVALUATION.

Section 306 of the Family Violence Prevention and Services Act (42 U.S.C. 10405) is amended in the first sentence by striking ''Not later than two years after the date on which funds are obligated under section 303(a) for the first time after the date of the enactment of this title, and every two years thereafter,'' and inserting ''Every 2 years,''.

SEC. 404. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

Section 308 of the Family Violence Prevention and Services Act (42 U.S.C. 10407) is amended—

(1) by striking subsection (b) and inserting the following:

''(b) NATIONAL RESOURCE CENTER.—The national resource center established under subsection (a)(2)—

''(1) shall offer resource, policy, collaboration, and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, including issues relating to children who witness domestic violence; and

''(2) shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics, and analyses of the information and statistics, relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.''; and

(2) by striking subsection (g).

SEC. 405. RELATED ASSISTANCE.

Section 309(5) of the Family Violence Prevention and Services Act (42 U.S.C. 10408(5)) is amended by striking the second sentence and inserting the following: ''The term 'related assistance' shall include—

''(A) prevention services such as outreach and prevention services for victims and their children, assistance to children who witness domestic violence, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including services promoting nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school-age children, family violence public awareness campaigns, and violence prevention counseling services to abusers;

''(B) counseling with respect to family violence, counseling or other supportive services provided by peers individually or in groups, and referral to community social services;

''(C) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health care services;

''(D) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

''(E) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims, and children who witness domestic violence.''.

SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION.—Section 310(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10409(a)) is amended to read as follows:

''(a) IN GENERAL.—

''(1) AUTHORIZATION.—There are authorized to be appropriated to carry out sections 303 through 311, $175,000,000 for each of fiscal years 2004 through 2008.

''(2) PROJECTS TO ADDRESS NEEDS OF CHILDREN WHO WITNESS DOMESTIC VIOLENCE.—For a fiscal year in which the amounts appropriated under paragraph (1) exceed $130,000,000, the Secretary shall reserve and make available a portion of the excess to carry out section 303(c).''.

(b) ALLOCATIONS FOR OTHER PROGRAMS.—Subsections (b), (c), and (d) of section 310 of such Act (42 U.S.C. 10409) are amended by inserting ''(and not reserved under subsection (a)(2))'' after ''each fiscal year''.

(c) GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.—Section 311(g) of such Act (42 U.S.C. 10410(g)) is amended to read as follows:

''(g) FUNDING.—Of the amount appropriated under section 310(a) for a fiscal year (and not reserved under section 310(a)(2)), not less than 10 percent of such amount shall be made available to award grants under this section.''.

SEC. 407. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 of the Family Violence Prevention and Services Act (42 U.S.C. 10410) is amended by striking subsection (h).

SEC. 408. EVALUATION AND MONITORING.

Section 312 of the Family Violence Prevention and Services Act (42 U.S.C. 10412) is amended by adding at the end the following:

''(c) Of the amount appropriated under section 310(a) for each fiscal year (and not reserved under section 310(a)(2)), not more than 2.5 percent shall be used by the Secretary for evaluation, monitoring, and other administrative costs under this title.''.

SEC. 409. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION PROJECT.

Section 313 of the Family Violence Prevention and Services Act (42 U.S.C. 10413) is repealed.

SEC. 410. MODEL STATE LEADERSHIP GRANTS.

Section 315 of the Family Violence Prevention and Services Act (42 U.S.C. 10415) is repealed.

SEC. 411. NATIONAL DOMESTIC VIOLENCE HOTLINE AND INTERNET GRANT.

Section 316 of the Family Violence Prevention and Services Act (42 U.S.C. 10416) is amended to read as follows:

"SEC. 316. NATIONAL DOMESTIC VIOLENCE HOTLINE AND INTERNET GRANT.

''(a) IN GENERAL.—The Secretary may award 1 or more grants to private, nonprofit entities—

''(1) to provide for the establishment and operation of a national, toll-free telephone hotline to provide information and assistance to victims of domestic violence; or

''(2) to provide for the establishment and operation of a highly secure Internet website to provide that information and assistance to those victims.

''(b) DURATION.—A grant under this section may extend over a period of not more than 5 years.

''(c) ANNUAL APPROVAL.—The provision of payments under a grant awarded under this section shall be subject to annual approval by the Secretary and subject to the availability of appropriations for each fiscal year to make the payments.

''(d) HOTLINE ACTIVITIES.—An entity that receives a grant under this section for activities described, in whole or in part, in subsection (a)(1) shall use funds made available through the grant to establish and operate a national, toll-free telephone hotline to provide information and assistance to victims of domestic violence. In establishing and operating the hotline, the entity shall—

''(1) contract with a carrier for the use of a toll-free telephone line;

''(2) employ, train, and supervise personnel to answer incoming calls and provide counseling

and referral services to callers on a 24-hour-a-day basis;

''(3) assemble and maintain a current database of information relating to services for victims of domestic violence to which callers may be referred throughout the United States, including information on the availability of shelters that serve battered women; and

''(4) publicize the hotline to potential users throughout the United States.

''(e) SECURE WEBSITE ACTIVITIES.—

''(1) IN GENERAL.—An entity that receives a grant under this section for activities described, in whole or in part, in subsection (a)(2) shall use funds made available through the grant to provide grants for startup and operational costs associated with establishing and operating a highly secure Internet website.

''(2) AVAILABILITY.—The website shall be available to the entity operating the hotline and domestic violence shelters.

''(3) INFORMATION.—The website shall provide accurate information that describes—

''(A) the services available to victims of domestic violence, including health care and mental health services, social services, transportation, services for children (including children who witness domestic violence), and other relevant services; and

''(B) the domestic violence shelters available, and services provided by the shelters.

''(4) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to require any shelter or service provider, whether public or private, to be linked to the website or to provide information to the recipient of the grant described in paragraph (1) or to the website.

''(f) APPLICATION.—The Secretary may not award a grant under this section unless the Secretary approves an application for such grant. To be approved by the Secretary under this subsection an application shall—

''(1) contain such agreements, assurances, and information, be in such form, and be submitted in such manner, as the Secretary shall prescribe through notice in the Federal Register;

''(2) in the case of an application for a grant to carry out activities described in subsection (a)(1), include a complete description of the applicant's plan for the operation of a national domestic violence hotline, including descriptions of—

''(A) the training program for hotline personnel;

''(B) the hiring criteria for hotline personnel;

''(C) the methods for the creation, maintenance, and updating of a resource database;

''(D) a plan for publicizing the availability of the hotline;

''(E) a plan for providing service to non-English speaking callers, including service through hotline personnel who speak Spanish; and

''(F) a plan for facilitating access to the hotline by persons with hearing impairments;

''(3) in the case of an application for a grant to carry out activities described in subsection (a)(2)—

''(A) include a complete description of the applicant's plan for the development, operation, maintenance, and updating of information and resources of the website;

''(B) include a certification that the applicant will implement a high level security system to ensure the confidentiality of the website, taking into consideration the safety of domestic violence victims; and

''(C) include an assurance that, after the third year of the website project, the recipient of the grant will develop a plan to secure other public or private funding resources to ensure the continued operation and maintenance of the website;

''(4) demonstrate that the applicant has recognized expertise in the area of domestic violence and a record of high quality service to victims of domestic violence, including a demonstration of support from advocacy groups;

''(5) demonstrate that the applicant has a commitment to diversity, and to the provision of services to ethnic, racial, and non-English speaking minorities, in addition to older individuals and individuals with disabilities; and

''(6) contain such other information as the Secretary may require.

''(g) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $3,500,000 for each of fiscal years 2004 through 2008.

''(2) CONDITIONS ON APPROPRIATIONS.—Notwithstanding paragraph (1), the Secretary shall make available a portion of the amounts appropriated under paragraph (1) to award grants under subsection (a)(2) only for any fiscal year for which the amounts appropriated under paragraph (1) exceed $3,000,000.

''(3) AVAILABILITY.—Funds authorized to be appropriated under paragraph (1) shall remain available until expended.''.

SEC. 412. YOUTH EDUCATION AND DOMESTIC VIOLENCE.

Section 317 of the Family Violence Prevention and Services Act (42 U.S.C. 10417) is repealed.

SEC. 413. DEMONSTRATION GRANTS FOR COMMUNITY INITIATIVES.

(a) IN GENERAL.—Section 318(h) of the Family Violence Prevention and Services Act (42 U.S.C. 10418(h)) is amended to read as follows:

''(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $6,000,000 for each of fiscal years 2004 through 2008.''.

(b) REGULATIONS.—Section 318 of such Act (42 U.S.C. 10418) is amended by striking subsection (i).

SEC. 414. TRANSITIONAL HOUSING ASSISTANCE.

Section 319(f) of the Family Violence Prevention and Services Act (42 U.S.C. 10419(f)) is amended by striking ''fiscal year 2001'' and inserting ''each of fiscal years 2003 through 2008''.

SEC. 415. TECHNICAL AND CONFORMING AMENDMENTS.

The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) is amended—

(1) in section 302(1) (42 U.S.C. 10401(1)) by striking ''demonstrate the effectiveness of assisting'' and inserting ''assist'';

(2) in section 303(a) (42 U.S.C. 10402(a))—

(A) in paragraph (2)—

(i) in subparagraph (C), by striking ''State domestic violence coalitions knowledgeable individuals and interested organizations'' and inserting ''State domestic violence coalitions, knowledgeable individuals, and interested organizations''; and

(ii) in subparagraph (F), by adding ''and'' at the end; and

(B) by aligning the margins of paragraph (4) with the margins of paragraph (3);

(3) in section 303(g) (as so redesignated)—

(A) in the first sentence, by striking ''309(4)'' and inserting ''320''; and

(B) in the second sentence, by striking ''309(5)(A)'' and inserting ''320(5)(A)'';

(4) in section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) by striking ''provide for research, and into'' and inserting ''provide for research into'';

(5) by redesignating section 309 as section 320 and moving that section to the end of the Act; and

(6) in section 311(a) (42 U.S.C. 10410(a))—

(A) in paragraph (2)(K), by striking ''other criminal justice professionals,;'' and inserting ''other criminal justice professionals;'' and

(B) in paragraph (3)—

(i) in the matter preceding subparagraph (A), by striking ''family law judges,,'' and inserting ''family law judges,'';

(ii) in subparagraph (D), by inserting '', criminal court judges,'' after ''family law judges''; and

(iii) in subparagraph (H), by striking ''supervised visitations that do not endanger victims and their children'' and inserting ''supervised visitations or denial of visitation to protect against danger to victims or their children''.

SEC. 416. CONFORMING AMENDMENT TO ANOTHER ACT.

Section 102(42) of the Older Americans Act of 1965 (42 U.S.C. 3002(42)) is amended by striking ''(42 U.S.C. 10408)''.

And the House agree to the same.

From the Committee on Education and the Workforce, for consideration of the Senate bill and the House amendment, and modifications committed to conference:

JOHN BOEHNER,
PETE HOEKSTRA,
JON PORTER,
JAMES GREENWOOD,
CHARLIE NORWOOD,
PHIL GINGREY,
MAX BURNS,
GEORGE MILLER,
RUBÉN HINOJOSA,
SUSAN A. DAVIS,
TIM RYAN,
DANNY K. DAVIS,
Managers on the Part of the House.

JUDD GREGG,
LAMAR ALEXANDER,
MIKE DEWINE,
EDWARD M. KENNEDY,
CHRIS DODD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 342), to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

THE KEEPING CHILDREN AND FAMILIES SAFE ACT OF 2003—EXPLANATION OF THE COMMITTEE OF CONFERENCE

The conference agreement to S. 342, the Keeping Children and Families Safe Act of 2003, builds upon reforms made during the last reauthorization of CAPTA and FVPSA to improve program implementation and make improvements to current law to ensure that states have the necessary resources and flexibility to properly address issues of child abuse and neglect and family violence. It makes changes that serve to assist states in improving their child protective services systems and enhance the federal government's role in providing support for the child protective services system infrastructure. The conference agreement also makes changes to better serve victims of domestic violence and their dependents.

The Senate bill and House amendment were very similar with only a few major differences. This conference report reflects the agreements on these major differences.

CAPTA

Comprehensive Adolescent Victim/Victimizer Program

The Senate bill, but not the House amendment, includes a new demonstration program that establishes a network of trainers who will work with schools to implement school-based adolescent victim/victimizer programs that are comprehensive, meet state guidelines for health education, and reduce child sexual abuse by focusing on prevention for both adolescent victims and victimizers.

The conference agreement does not include this provision.

Safety Training for Caseworkers

The Senate bill, but not the House amendment, includes language to permit ''personal safety training for caseworkers'' as part of the training for which states may use their CAPTA dollars. Personal safety training will help child protective services personnel be prepared when faced with a variety of complex situations and emotions as they confront families with allegations of child abuse and neglect.

The conference agreement includes this provision with no modifications.

Infants Born Addicted to Substances

The House amendment and the Senate bill include provisions to address the needs of infants born and identified as being affected by illegal substance abuse or withdrawal symptoms. The House amendment requires procedures for infants born with fetal alcohol effects, fetal alcohol syndrome, neonatal intoxication or withdrawal syndrome, or neonatal physical or neurological harm resulting from prenatal drug exposure. The Senate bill requires procedures for infants born and identified as being affected by illegal substance abuse or withdrawal symptoms resulting form prenatal drug exposure. The House amendment, but not the Senate, requires the notification of child protective services and permits the consideration of providing the mother with additional services, and providing the infant with referral to IDEA, Part C services for evaluation.

The conference agreement follows the Senate bill with a modification. The agreement includes the requirement that health care providers involved in the delivery or care of infants born and identified as being affected by illegal substance abuse or withdrawal symptoms notify child protective services of the occurrence of such condition in such infants.

GAO Study

The Senate bill, but not the House amendment, includes a study to have GAO review and evaluate training (including cross-training in domestic violence and substance abuse) of child protective services workers including the effects of caseloads, compensation and supervision of staff; the efficiencies and effectiveness of agencies that provide cross-training with court personnel; and recommendations to strengthen child protective services effectiveness to improve outcomes for children.

The conference agreement does not include this provisions. The House and Senate conferees agree to write a joint letter to GAO to request the study be conducted.

Children's Justice Act

The House amendment, but not the Senate bill, includes language to allow states to handle cases involving children with disabilities or serious health conditions with their children's justice grant funding. Children's justice grants help states improve their child protection programs in investigation and prosecution of child abuse and neglect cases.

The conference agreement includes this provision with no modifications.

IDEA

The House amendment, but not the Senate bill, requires states to have provisions and procedures for referral of a child under the age of 3 who is involved in a substantiated case of child abuse or neglect to the statewide early intervention program funded under Part C, of the Individuals with Disabilities Education Act for an evaluation of services.

The conference agreement does not include this provision. The conferees agree to provide for a reference to similar provisions for referral of such children in Part C of IDEA.

State CAPTA Reports

The Senate bill, but not the House amendment, requires states to report on the manner in which CAPTA dollars, alone or in combination with other funds, were used to address the purposes and achieve the objectives of Kinship Care. Kinship care is a living situation in which a grandparent, other close relative or someone else who is emotionally close to a child takes primary responsibility for the care of that child.

The conference agreement includes this provision with modifications. The agreement requires states to report on all CAPTA programs, rather than just Kinship Care.

Respite Care

The House amendment, but not the Senate bill, adds respite care, home visiting and family support services to the list of optional core services that a state may provide as a part of family support services under Community-Based Programs within CAPTA.

The conference agreement does not include this provision. However, the conferees want to recognize the importance of respite care and other services as positive, cost-effective, community-based child abuse and neglect prevention programs. As evidence shows, respite and crises care programs are effective prevention strategies associated with avoiding more costly and traumatic out-of-home placements, including foster care. By retaining current law for local program criteria, the conferees have not intended to discourage or limit the ability of the lead entity or local program to provide or arrange for respite care.

FVPSA

Children Who Witness Domestic Violence

The Senate bill, but not the House amendment, establishes a new program to address the needs of children who witness domestic violence to provide direct services; training for and collaboration among child welfare agencies, domestic violence victim service providers, courts, law enforcement and other entities, and multi-system interventions. This new program is conditioned upon appropriations exceeding $150 million. At such time 50 percent of the excess must be used to fund this program.

The conference agreement follows the intent of the Senate bill with modifications. The agreement would not create a new program. The agreement adds services for children who witness domestic violence to the list of allowable activities under the state demonstration grants within FVPSA. It requires that once appropriations exceed $130 million for the state demonstration grants, that grants include programs of multi-system interventions, training, and services (either directly or by referral) for children who witness domestic violence. The agreement also requires the national resource center to include children who witness domestic violence as part of their research and training services, and adds children who witness domestic violence to the definition of ''related assistance.''

Domestic Violence Hotline/Internet Enhancement

The Senate bill, but not the House amendment, creates a new five year grant program to establish and operate a highly secure Internet website that links the national domestic violence hotline, U.S. domestic violence shelters, state and local domestic violence agencies, and other domestic violence organizations in order to connect a victim of domestic violence to domestic violence shelters. The website must also contain continuously updated information concerning the availability of services and space in domestic violence shelters across the U.S. This new program is conditioned upon appropriations for the domestic violence hotline exceeding $3 million. The Senate bill, but not the House amendment, increases the authorization for the domestic violence hotline from $2 million to $4 million. The domestic violence hotline is currently funded at $2.6 million.

The conference agreement follows the intent of the Senate bill with modifications. The agreement would not create a new program. The agreement requires that once appropriations for the domestic violence hotline exceed $3 million, grants shall be made for startup and operational costs associated with establishing a highly secure Internet website available to the hotline and to shelters. The website shall serve as a database of information describing the services available to victims of domestic violence, including medical and mental health services, social services, transportation, services for children (including children who witness domestic violence) and other relevant services; domestic violence shelters available; and services provided by participating shelters. The authorization for the domestic violence hotline is $3.5 million. As a result of recent significant authorization and appropriation increases occurring since the committee's last consideration of this act, the conferees believe an authorization level of $3.5 million will sustain the services provided as a part of the domestic violence hotline during the current five year authorization without the need for intervening authorization.

From the Committee on Education and the Workforce, for consideration of the Senate bill and the House amendment, and modifications committed to conference:

JOHN BOEHNER,
PETER HOEKSTRA,
JON PORTER,
JAMES GREENWOOD,
CHARLIE NORWOOD,
PHIL GINGREY,
MAX BURNS,
GEORGE MILLER,
RUBÉN HINOJOSA,
SUSAN A. DAVIS,
TIM RYAN,
DANNY K. DAVIS,
Managers on the Part of the House.

JUDD GREGG,
LAMAR ALEXANDER,
MIKE DEWINE,
EDWARD M. KENNEDY,
CHRIS DODD,
Managers on the Part of the Senate.

RELATING TO CONSIDERATION OF SENATE AMENDMENTS TO H.R. 1308, TAX RELIEF, SIMPLIFICATION, AND EQUITY ACT OF 2003

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 270 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 270

Resolved, That upon adoption of this resolution the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to end certain abusive tax practices, to provide tax relief and simplification, and for other purposes, with the Senate amendments thereto, be, and the same are hereby, taken from the Speaker's table to the ends that the Senate amendment to the title be, and the same is hereby, agreed to, and the Senate amendment to the text be, and the same is hereby, agreed to with the amendment printed in the report of the Committee on Rules accompanying this resolution.

SEC. 2. It shall be in order for the chairman of the Committee on Ways and Means to move that the House insist on its amendment to the Senate amendment to H.R. 1308, or that the House disagree to any further Senate amendment, and request or agree to a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

GENERAL LEAVE

Mr. REYNOLDS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 270.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REYNOLDS. Mr. Speaker, House Resolution 270 is a customary rule relating to the consideration of an amendment to the Senate amendments to H.R. 1308, the Tax Relief, Simplification, and Equity Act of 2003. The rule allows the House to proceed with consideration of legislation providing tax relief to millions of American workers and families.

Upon adoption of this resolution, the House will have agreed to the disposition of the Senate amendments.

Mr. Speaker, when I return to my district each week, my constituents tell me they want me to do two things: create jobs and cut taxes. Thanks to the Economic Growth and Tax Relief Act and the Jobs Growth Tax Relief Act, Congress is doing just that, and taxpayers in my district and all across America now have greater control over more of their hard-earned dollars, providing greater incentive for savings and investment and expanding job opportunities.

Today's legislation is another important step in our ongoing efforts to create greater fairness in the Tax Code for working families. In fact, upon adoption, it will be retitled the All-American Tax Relief Act in recognition of the fact that it puts even more money back into the hands of more Americans.

Mr. Speaker, much of what we are debating today we have debated and supported before. Many of the important measures in H.R. 1308 have passed this body or the other body over the last few years. For instance, the House passed its version of H.R. 1308 by voice vote under suspension in March of this year.

Last week the Senate took up H.R. 1308 with revised and added provisions, including an accelerated increase in the refundability of the child tax credit currently scheduled to take place in 2005.

□ 1530

While the House language contains the same provision, it has the added benefit of ensuring that the child tax credit remains at $1,000 through 2010, unlike the Senate amendment that offers only the $1,000 tax credit during taxable years 2003 and 2004. Simply put, the House language provides more and longer-lasting benefits for families at all income levels. And it does not take it away in just a couple of years.

This bill will eliminate the marriage penalty and the child tax credit even sooner, by raising the phaseout for married couples from $110,000 to $150,000. This is a fundamental issue of fairness. Working men and women should not face a higher tax burden simply because they choose to get married and raise a family.

The House bill is more responsive to more Americans than the other body's version in other ways. It honors the men and women of our Armed Forces with over $800 million in tax relief over 11 years. This includes capital gains tax relief on home sales, tax-free death gratuity payments, and tax-free dependent care assistance for members of the military. Our men and women in uniform protect our country and ensure our security every day and deserve sensible tax relief for their hard work and sacrifice.

Also, the bill will suspend the tax-exempt status of terrorist organizations, a provision that passed both the House and the other body in 2002. In short, Mr. Speaker, this bill will achieve even greater parity and fairness in the Tax Code. That is something I know my constituents and working Americans all over the country want, need, and deserve.

Mr. Speaker, I expect that in the course of this debate, we will hear a great deal about procedural terminology, but this vote is actually quite simple. A ''yes'' vote means greater fairness in the Tax Code and more tax relief for American workers, families, and children. A ''no'' vote stops that relief from moving forward and hurts the very people I know many of my colleagues eagerly want to assist.

I urge my colleagues to join me in voting ''yes'' on the resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

(Mr. FROST asked and was given permission to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, while this bill purports to give low-income people a tax break, it also gives Members of Congress a tax break. We see that there is an additional tax break for people who earn $150,000 a year. Who earns $150,000 a year? Members of the United States Congress. It is very generous of them in the majority to do that.

Mr. Speaker, let us be clear about what is at stake on the House floor today. At the conclusion of this debate, there will be an important procedural vote known as the previous question. If we defeat it, then the child tax credit bill and the Armed Forces tax assistance bill can become law tomorrow, and military and working families will get immediate relief. Those two bills are here, at the Speaker's table, already passed by the Senate and ready to be signed by the President, but only if Republicans will stand up to their leadership. On the other hand, if Republicans vote for the previous question, then those bills will not become law anytime soon, if at all, and millions of military and working families will not receive immediate tax relief.

To quote President Kennedy: ''To govern is to choose.'' When Republicans vote on the previous question today, Americans will know whether they choose tax relief for working and military families or party loyalty to the House Republican leadership that is blocking it.

Mr. Speaker, since George W. Bush took office, Republicans have successfully enacted their economic plan. It consists of not just one, but two budget-busting tax giveaways for the richest few. I call these bills part I and part II of the Bush Pioneers Enrichment Act because they shower expensive tax breaks on the wealthiest few, people like that small, elite group of rich Bush Pioneers who funded the 2000 Bush campaign.

But where is the country after these Republican tax giveaways? Some 3 million Americans have lost their jobs. And just today the nonpartisan Congressional Budget Office increased this year's deficit projection to $400 billion, the largest single-year deficit in this Nation's history. All in all, Americans are still suffering from the second Bush recession and the third Republican recession in the last 20 years. So I suspect that we will hear a lot of clever Republican rhetoric today. We will hear them swear that this latest Republican tax bill will finally boost the economy. They will claim that they are simply trying to improve on the bipartisan bill which the Senate passed overwhelmingly last week. But as John Adams once said, Mr. Speaker, facts are stubborn things. Even poll-tested Republican rhetoric cannot change those facts.

And the facts today are straightforward. House Republicans are the sole remaining obstacle to immediate tax relief for millions of working and military families who pay taxes. Unless House Republicans stand up to the Republican leadership today, then the families of 12 million children, 1 million of whom live in military families, will not get the immediate tax relief they need and they deserve.

Here is why, Mr. Speaker. When Republicans wrote part II of the Pioneers Enrichment Act last month, they denied the child tax credit to these hard-working, tax-paying families. The reason was simple: so that they could spend even more on tax breaks for the wealthiest few. As a result, millionaires got a tax break of $93,500, which

is just shy of the $100,000 in campaign contributions necessary to qualify as a Bush Pioneer, while millions of military and working families got stiffed. Republicans gave $100,000 in tax breaks to those making $1 million a year, but they call it welfare when Democrats try to give $150 in tax relief to the military families who need it most to feed and clothe their children. This is shameful, Mr. Speaker. And if Republicans are not ashamed, then I am ashamed for them.

Fortunately, the Senate has overwhelmingly passed a bipartisan, fiscally responsible bill to fix this one especially shameful feature of the Bush Pioneers Enrichment Act. And the White House says the President wants to sign it immediately. But many Republicans do not believe these working and military families deserve immediate tax relief, despite the fact that they work hard and pay taxes. So the Republican leadership is using their power to stop the full House from voting on the bipartisan Senate-passed bill which could become law tomorrow.

Specifically, they have brought up their plan as a motion to concur in the Senate amendments with a House amendment, a very boring title. In plain English, that means they are using a parliamentary maneuver to rig the rules to prevent Democrats from offering an alternative, or the motion to recommit that is guaranteed in the House rules. The Republican leadership's rule is so restrictive that it does not allow the House any general debate on the Republicans' $82 billion tax plan. But make no mistake, the Republican leadership's actions on the House floor today will have a very real consequence.

Simply put, they are holding hostage immediate tax relief for 6.5 million working families. They are using this bill to give high-income families a new tax break that is worth nearly six times as much as the tax credit for low-income families. They are taking a $3.5 billion problem that they created and they are using it to spend $82 billion of the Social Security trust fund to drive America even deeper into debt, raising the debt tax on all Americans. All of this, Mr. Speaker, means that this spendthrift House Republican plan will not pass the Senate and everybody knows it. Let me say that again. What we are voting on today will not pass the Senate and everyone knows it. So this is a meaningless gesture that will simply delay for days and weeks and maybe even months the tax relief that the Republicans claim that they want to offer to working families. If the Republican leadership wins today, then millions of working and military families will lose because they will not get the immediate tax relief that they desperately need.

As a result, there is just one question on the floor today: Do you want to give to military and working families at least a fraction of the tax cuts that Republicans have given the millionaires, the Bush Pioneers and others of the wealthy? If the answer is ''no,'' then proudly explain why these hard-working, tax-paying families do not deserve tax relief. But if the answer is ''yes,'' then there is only one way to do it. Stand up to the House Republican leadership and vote against the previous question. If we defeat the previous question, then I will offer an amendment to the rule to allow the House to pass both the bipartisan child tax credit bill and the Armed Forces tax fairness bill, both of which are here at the Speaker's table and both of which have already passed the Senate.

As I said before, Mr. Speaker, those are the facts; and that is the choice House Republicans face today.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

In listening to the ranking member's remarks, I would first say, to my recollection of the law, no Member of Congress would be eligible for this program. Number two, I want at least the voters of my district and the people of New York to know that while we have listened to class warfare and tax cuts, I know those New Yorkers that make $100,000 in their income, or even as much as $150,000, if you are a fireman or you are a cop, you are a teacher, you are a salesman and work in a store, I know you are not rich. I know you are middle America. And I know that as we look at fair tax relief, it is not just helping the poor or the class warfare message of the rich. We are trying to make sure we take care of the middle class, and we know that $150,000 combined income could be a middle-class income.

Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, it is always interesting to hear the rhetoric of some of my friends on the other side of the aisle. Let me tell you something. Here is the news. The All-American Tax Relief Act provides immediate tax relief for working families and for our military. Immediate tax relief. It does it in a number of ways. A tremendous benefit to working and military families. In fact, not only do we recognize that we increase the child tax credit in the legislation the President signed a few weeks ago from $500 to $1,000 but we extend that through the end of the decade. Our friends on the other side of the aisle would like to see it sunset in a couple of years and drop back to $700.

I would also note that we eliminate the marriage tax penalty in the child tax credit. One of the great successes of the Republican majority is we have targeted and worked to eliminate the marriage tax penalty; but in the child tax credit, it still exists. If you make $75,000 as a single person, you can claim the full child tax credit. But you can only claim the full child tax credit as a married couple if you make up to $110,000. That is not right. Those who are joint filers, men and women who happen to be married who are both in the workforce, if you want to eliminate the marriage tax penalty and treat them equally and fairly, you should allow a married couple to earn twice as much as a single and still be able to qualify for that credit without being punished for being married. That is why we raise the eligibility level to $150,000. It is a single 75, and then we double it for a married couple to 150. That is policeman and a teacher in the south suburbs of Chicago. Some would say they do not deserve that child tax credit, but they have earned it and we, of course, want to assure that we will bring fairness by eliminating the marriage tax penalty.

We also accelerate the increase in the refundable tax credit, a point that my Democratic friends say we need to do. What they omit is it is already law. All this legislation does is move it up to this year. That acceleration for low-income families was to be phased in over the next couple of years. We make it effective immediately, this year. Not only do we accelerate the increase in the refundable child tax credit but we bring up an issue which is so important. Remember the men and women who went to Iraq? Remember those men and women who fought so valiantly and liberated the 28 million people who were oppressed under Saddam Hussein? This House passed tax relief specifically targeted to help them. Unfortunately, that has yet to become law. We on the Republican side of the aisle feel it is time to take care of those military men and women who fought in Iraq and that is why we combine this child tax credit with the legislation which provides tax relief and enhances tax fairness for members of our United States Armed Forces.

Ladies and gentlemen, this is legislation that deserves bipartisan support. I ask for that kind of vote.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. TAYLOR), one of the most conservative Members on the Democratic side.

Mr. TAYLOR of Mississippi. Mr. Speaker, I cannot begin to say how hypocritical I think it is that a bill that purports to be for tax relief for children would burden our children with $80 billion worth of new debt to solve a $3 billion problem. There is a lot of inconsistency and, of course, there is a much stronger word than that.

On March 17, 1994, I believe it was right there, then-Member Hastert stood on this floor and said clearly, ''Until our monstrous $4.3 trillion Federal debt is eliminated, interest payments will continue to eat away at the important initiatives which the government must fund.

□ 1545

I will not stand by and watch Congress recklessly squander the future of our children and grandchildren.'' That was Speaker HASTERT.

The same day he said, ''In light of Congress' exhibited inability to control spending and vote for fiscal responsibility, it is imperative that we have a balanced budget amendment to compel Congress to end its siege on our financial future.''

The Speaker has now been Speaker for 1,622 days and has yet to have scheduled a vote on a balanced budget amendment. But I can tell you what happened in the 2 years and 3 weeks since the passage of the Bush budget spending increases and the Bush budget deficit decreases. We are now $914 billion dollars deeper in debt.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from Texas.

Mr. STENHOLM. Under House rules, I would like to have our colleagues help us. How much debt did the gentleman say we have accumulated since the budget first passed on May 9? Is it $914?

Mr. TAYLOR of Mississippi. Mr. Speaker, reclaiming my time, no, under Speaker HASTERT's tutelage for the past 2 years, we have added not $914 dollars of debt. In fact, under the rules of the House, I am going to ask my colleagues to step to their right, because we are going to need four more of our colleagues to come forward.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILLMOR). The gentleman will suspend.

The Chair notices that we have a number of Members entering the well. The Chair has responsibility under clause 2 of rule I to preserve proper decorum in the proceedings of the House, and the Chair is constrained to distinguish between an exhibit, which a Member may employ for the edification of his colleagues, and an exhibition.

Although a Member may supplement ordinary oratory with a visual aid, he may not stage an exhibition, nor should other Members traffic the well.

PARLIAMENTARY INQUIRIES

Mr. FROST. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. FROST. Mr. Speaker, what rule are you stating?

The SPEAKER pro tempore. Clause 2 of rule I.

Mr. FROST. Mr. Speaker, would the Chair be kind enough to read the provision, because I have never heard of this ruling given from the Chair before. I would be very grateful if the Chair could read it to the House.

The SPEAKER pro tempore. To the knowledge of the Chair, we have not had an exhibition such as this before.

Mr. FROST. Do we have the rules book handy?

The SPEAKER pro tempore. The relevant provision is, ''The Speaker shall preserve order and decorum and, in the case of disturbance or disorderly conduct in the galleries or in the lobby, may cause the same to be cleared.''

The Chair has ruled that while an exhibit is quite acceptable, an exhibition such as being conducted at the current time is in violation of the rules, in the opinion of the Chair.

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry.

Mr. FROST. Mr. Speaker, further parliamentary inquiry.

The SPEAKER pro tempore. The gentlemen will suspend.

The Chair also would observe that while one Member is addressing the House, other Members should not traffic the well, as is happening.

Mr. FROST. Mr. Speaker, I just want to be clear. So what the gentleman is saying is the Members who are standing in the well right now——

The SPEAKER pro tempore. Who are trafficking the well.

Mr. FROST. The ones who are in the well with 914878724867, they are out of order for advising the country what the size of the debt is?

The SPEAKER pro tempore. In the opinion of the Chair, it has a tendency to impair the decorum of the House.

Mr. HOYER. Mr. Speaker, I have a parliamentary observation.

The SPEAKER pro tempore. Does the gentleman from Mississippi (Mr. TAYLOR) yield for a parliamentary inquiry?

Mr. TAYLOR of Mississippi. Well, you have not recognized me for mine, so I might as well.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. HOYER. Mr. Speaker, I would make a parliamentary observation. If we keep raising the debt as fast as we are raising it——

The SPEAKER pro tempore. The gentleman is not stating a parliamentary inquiry.

Mr. HOYER. Well, I am, because it will be a moot point, because there will not be enough room in the Chamber to make the display.

Mr. FROST. Mr. Speaker, further parliamentary inquiry. I have to ask, because I am a little confused, I will not refer directly to the Members at this point, but I am confused, Mr. Speaker, because the rule, I have my rule book, it says, ''The Speaker shall preserve order and decorum, and in the case of disturbances or disorderly conduct in the galleries or in the lobby, may cause the same to be cleared.''

This seems to relate to decorum in the galleries or in the lobby. I do not read the rule to relate to matters on the floor of the House.

The SPEAKER pro tempore. Clause 2 of rule I applies to the proceedings of the House.

Mr. TAYLOR of Mississippi. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. TAYLOR of Mississippi. Mr. Speaker, if an elected Representative of the people of the United States, who represents about 700,000 American citizens, wishes to make his colleagues aware of the growth of the national debt in just 2 years and 2 weeks, without creating——

The SPEAKER pro tempore. Is the gentleman stating a parliamentary inquiry or engaging in debate? The Chair is open to parliamentary inquiry.

Mr. TAYLOR of Mississippi. I am continuing, sir.

The SPEAKER pro tempore. Proceed.

Mr. TAYLOR of Mississippi. And if 16 of his colleagues, also elected, wished to make the Chair aware, in a very orderly manner, and to make our colleagues aware of the growth of the debt in a very orderly manner, I would like you to cite which section of the House rules, which, by the way you waive on a daily basis at your discretion, are being violated?

The SPEAKER pro tempore. The Chair would state that a Member may use an exhibit when that Member is under recognition, but other Members, who are not under recognition, may not separately display exhibits.

The Chair at this point would ask that the Members clear the well.

Mr. TAYLOR of Mississippi. Mr. Speaker, I wish to continue at this time. How much time do I have remaining, sir?

The SPEAKER pro tempore. The gentleman from Mississippi has 45 seconds remaining.

Mr. TAYLOR of Mississippi. Mr. Speaker, I would like to speak with deep regret at the continued efforts of the majority to hide from the American people the true nature of the deficit that they have employed; that they have increased more debt in 2 years than in the first 200 years of our Nation. Their answer to that debt is $80 billion of more debt.

I do not think you should dare call yourself fiscal conservatives. I think what you should call yourself are the seeds of destruction for the greatest Nation this world has ever known.

Mr. REYNOLDS. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, following that fascinating display, I would like to rise and indicate that as the economic downturn began during the last 2 quarters of 2000, we worked very hard to ensure that we could put into place policies that will encourage economic growth that will once again get us back on the path of a balanced budget.

Now, we all know that the challenges with which we have had to deal stem from not only the economic downturn that began during the last 2 quarters of the year 2000, but also September 11, the war with Iraq, and I am proud that we were able to stand together in a bipartisan way, Democrats and Republicans, to stand up to the threat of international terrorism and the repression that Saddam Hussein was imposing.

Mr. KINGSTON. Mr. Speaker, will the gentleman yield?

Mr. DREIER. I yield to my dear friend, the gentleman from Georgia, a member of the Committee on Appropriations.

Mr. KINGSTON. Mr. Speaker, is it not true that the Democrats did not pass a budget last year, and during the period of time after 9/11 when we were trying to fund the troops and the war on terrorism, homeland and internationally, that the Democrats on the Committee on Appropriations, bill after bill, insisted on more spending, and in fact offered amendments on every appropriations subcommittee to increase spending; and now they are coming out here as fiscal conservatives. It seems there is a little tap dance going on that is difficult to follow.

Mr. DREIER. Mr. Speaker, reclaiming my time, it is fascinating. I know when the gentleman from Texas (Mr. FROST) yielded to the gentleman from Mississippi (Mr. TAYLOR) he talked about the fact that he is one of the most conservative Democrats in the House. But clearly if you look at the pattern that we have gone through for decades and decades, it clearly has not been Democrats who have stood forward as the great champions of fiscal responsibility. It is wonderful to see them join us now as we work towards encouraging economic growth so that we can get back onto this course of balancing the budget.

I would like to take just a few moments, if I might, Mr. Speaker, to talk about some substantive issues here.

My friend the gentleman from Dallas (Mr. FROST), the ranking minority member of our Committee on Rules, has talked about the fact that he knows exactly what the other body is going to do. I do not. I do not know what the Senate is going to do.

But I do know this: We passed $726 billion in tax cuts with the budget that we put into place, and we know that action was taken over in the other body that imposed a limit of $350 billion. But I think it is wrong for the United States House of Representatives, the people's House, the one that has every Representative here on behalf of the between 600,000 and 700,000 Americans, simply kowtow to action over there.

I think we have a responsibility to do everything that we can to take action, and let me say that I believe we need to do everything that we can to stand up for what it was that we did in our budget, to try and ensure that the American people can keep more of their own hard-earned dollars and to put into place tax policies which will encourage economic growth. That is exactly what we are doing here today.

Now, we heard in our Committee on Rules yesterday and we have heard here on the floor that somehow the President of the United States has made a determination as to exactly what he wants to do.

I have here, Mr. Speaker, a copy of the Statement of Administration Policy. That is the statement of the President of the United States. Contrary to some of the arguments put forward by my Democratic colleagues, this is what the statement of administration policy says:

''The Administration supports passage of H.R. 1308, the All-American Tax Relief Act of 2003, and urges the House and Senate to quickly resolve their differences.''

The administration understands the bicameral process that takes place here. For some reason, our colleagues on the other side of the aisle want to just buckle under, and not realize that we can do even better than what was done in the other body.

That is what we are striving to do. We are striving to get this economy growing. We have already seen very positive signs from what has taken place with passage of the Jobs and Growth Act. We have seen positive signs with the Dow above 9200. That has taken place since we have passed this legislation.

We have indicators out there that we can get this thing growing to the point where we will be able to generate the revenue that we need to deal with the very important prescription drug program, which we are working on right now as part of Medicare reform, education priorities, transportation issues which we were addressing earlier.

This measure today is a very important part of that, and, Mr. Speaker, I urge my colleagues to support this package.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. SCOTT), one of our very respected new members.

Mr. SCOTT of Georgia. Mr. Speaker, I am one of the few Democrats that joined my colleagues on the other side to vote for the President's tax cut on the last time, largely because my voters in Georgia felt it would be good for them if we were able to get some badly needed dollars back to our State.

But this is a different story, and I think we ought to recognize why the American people have us here in the first place at this time.

□ 1600

It is not to come back for another tax cut. It is to address an omission, a very serious omission from the first tax cut, and that is to correct that by bringing a clean, crisp bill that pointedly addresses bringing the child tax credit to those working families at the lower-income levels. That is what we are about to do here. I think it is a sham.

Unfortunately, I think it is disrespectful for our Republican friends to do this, and they know full well that what they are doing with this measure is nothing but to delay and certainly, quite possibly, kill any tax credit. That is why I come and urge all of my colleagues to vote against this rule. Let us follow President Bush's lead. Let us get a clean-cut bill, and let us pass it so that he can sign it this weekend and give the Nation's families and poor people an opportunity to have an outstanding Father's Day gift.

I come down here as one of the few Democrats who voted for the President's tax cut because it was a good plan for my Georgia constituents, but it has one problem. It did not provide child tax credits for many working families.

Fortunately, this is an easy problem to fix. The Senate overwhelmingly passed a clean child tax credit which the President has said that he would sign into law. If we passed the Senate child tax credit, it could be on the President's desk before this weekend. President Bush is right about this. He's asked us to pass the Senate Bill with just the 10 billion for the child tax credit for lower income families, so we can get the checks in the mail immediately. By next month at the same time higher income Americans get theirs.

The Republican measure now before us will not do that. It will only guarantee that working families would not get child tax credits anytime soon if at all. By tying on the 82 billion additional tax cuts we would guarantee that the Senate would reject the bill. This is a sham.

Let's vote against this rule so that we can get a clean child tax credit before us today. You would then have my vote and an overwhelming majority of the House and a certain signature by President Bush.

I stand with President Bush on this. Let's stand together and do the right thing, pass a clean child tax credit and help working families immediately. Get it to President Bush so he can sign it, give our nation's working families in lower brackets the relief they need and a wonderful Father's Day gift this weekend.

Let's treat the lower income working families with the respect they deserve. Give them the tax credit immediately—now.

Mr. REYNOLDS. Mr. Speaker, I yield 2½ minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman for yielding me this time.

I want to say, first of all, this door is wide open on the Republican side of the House. If the Democrats want to join us in holding the line on appropriations spending, we welcome you. If you want to join us in cracking down on waste, fraud, and abuse in government, we welcome you. If you want to join us in eliminating some duplication in government programs, we welcome you. And I hope that the Blue Dogs will work with us and anybody else over there who will.

On this issue, which is one of expanding welfare, we are trying to work with you. You know you voted against welfare reform, and you know it worked. There were 14 million people on welfare when we passed welfare reform. President Clinton signed it. So we can claim bipartisanship, even though the majority of the House Democrats voted against it. Welfare reform has been a success. Nine million people are not on welfare that used to be on welfare.

Now we still have 5 million; that is too many people. It may be your way

of giving them an additional benefit, and maybe this is a good idea. It is not a tax rebate because you do not get a rebate on a tax that you do not pay. I know a lot of my colleagues will say, well, they do pay sales tax and so forth; that is true, but that is disingenuous on your part. As my colleagues know, we are talking about income taxes, and those folks do not pay income taxes.

Now, that being the case, and I will yield to my friend from Texas; that being the case, let me say this. There is a guy out there, as the gentleman from Illinois (Mr. WELLER) said, he is a policeman, his wife is a teacher. He shops at Wal-Mart for Christmas. He goes to Home Depot on Saturdays to pick up a hammer and some two-by-fours to do a little home repair. When his car needs tires, he goes out and gets three different quotes for them. He owes on his house. He owes on one of his cars. The other car is paid for because it is 8 years old. He scrimps, he saves to get his kids into college. His son goes off to war. They are the first in standing up for the country.

It is very difficult for that guy to get any tax credit because he falls through the cracks in this country. The combined income is $125,000. This gives him eligibility for that $1,000 tax credit. And I am a believer that the more money we put in his pocket, the more money he is going to spend on the economy. When he spends, small businesses expand. When they expand, more jobs are created, more jobs are created, and less people are on public assistance, more people go to work, more people are paying into the system rather than taking out of it. I believe that tax reductions actually increase revenues. They are good for jobs; they are good for the economy. That is why I am going to support this.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. KINGSTON. Mr. Speaker, if I have time remaining for my friend, the gentleman from Texas (Mr. STENHOLM), I yield.

Mr. STENHOLM. Mr. Speaker, you look at this chart, the bill we have before us today; this is the problem you are fixing. This is the interest.

The SPEAKER pro tempore (Mr. GILLMOR). The time of the gentleman from Georgia (Mr. KINGSTON) has expired.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, as the majority leader said just the other day, ''Well, well, well.''

Mr. Speaker, the majority does not want to be here today. They do not want to talk about the child tax credit. They wanted this whole issue to simply disappear. To many on the other side, as we have already heard, the child tax credit is just another form of welfare. If it were up to them, they would be cutting Ken Lay's taxes, again, instead of giving a soldier in Iraq who makes only $16,000 a year a small tax credit.

But we on this side of the aisle and the American people refuse to let this issue go. And I do not know whether it is shame or exasperation, but the other side has finally agreed to discuss the child tax credit. Well, sort of.

The sensible, responsible thing to do would be to bring up and pass a very good bill that passed the Senate last week by a bipartisan vote of 94 to 2, a bill that is fully paid for with offsets. But the Republican leadership rarely misses the opportunity to be insensible and irresponsible. That leadership knows very well that the Senate-passed bill would become law in a snap, because Members on both sides of the aisle would vote for it, and even the President supports it.

Instead, the majority leader and the gentleman from California (Mr. THOMAS) have brought us a bill that costs $82 billion. And, get this: there are no offsets. It is not paid for. The Republican leadership simply wants to saddle our children and our grandchildren with ever-increasing debt. How do they justify that?

If this bill stands as it is, it will help bankrupt our children, including the 12 million low- and moderate-income children the Republicans first ignored by deleting the child tax credit from the last tax bill. They are so ashamed of their strategy that not one Republican came to the Committee on Rules to testify on behalf of this $82 billion bill. Not one Republican.

They refuse to allow us to vote on the Senate-passed bill, a bill that passed 94 to 2. This process is undemocratic, it is irresponsible, it is outrageous; and it ought to be stopped.

Mr. Speaker, I urge my Republican colleagues to put a stop to this. Do the right thing. Do the right thing. Let us vote on a sensible, bipartisan child tax credit. Vote ''no'' on the previous question.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. BACHUS), my friend.

Mr. BACHUS. Mr. Speaker, whatever we do here today, let us be honest with the American people. Now, the gentleman from Massachusetts kept talking about the child tax credit. It is not a tax refund; it is not a tax credit. If we are going to do it, let us call it what it is, and it is welfare.

When you get back money you have paid in, when we give the American people money they have paid in, that is a tax refund. That is a tax credit. When we take money away from some American taxpayers and we give it to someone else, that is not a tax credit. That is not a refund. That is welfare. And that is what you have proposed to do. If an American pays in $1,500 and we give them back $4,000, that $2,500 is not a refund; it is not a credit. It is someone else's money. And if we want to turn our Tax Code into a welfare system, let us be honest with the American people that that is what we are doing. That is what we are doing.

Why represent this as a credit? Where is the credit? You pay in $1,500, you get back $3,000; $1,500 is a credit, but the other $1,500 is someone else's money.

Today, of 100 American families, 50 of them paid 96.1 percent of the taxes before the last tax cut, and in the last tax cut, we gave Americans back their own money. And what the Democrats have proposed is taking Americans' money, your money, America, and we are giving it to someone else, and that is not a tax credit. That is welfare. Let us be honest with the American people. We are turning our Tax Code into a welfare system. And if we want to do that, let us call it what it is. Let us have a little truth in labeling. We are requiring 86 percent of the American people to pay their tax dollars to someone else, and that is welfare.

Mr. FROST. Mr. Speaker, I do not have any additional time, but I wish I had time to question the last speaker.

Mr. Speaker, I yield 1 minute to the gentleman from South Carolina (Mr. SPRATT).

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Speaker, in 1 minute I want to tell you why this bill, compared to the Senate bill, taxes could be raised, could be raised on enlisted men and women serving in Iraq by as much as $1,000 per child. It is a fact, a shocking fact about this bill.

Let us take an E6, a sergeant, making $29,000. You have to make more than $10,500 in order to qualify for the child tax credit. That leaves him if he is state-side $18,500 times the 15 percent, two child tax credits for his two children.

But let us assume now he goes to Iraq and let us assume he stays 8 months. That means $18,500 of his income, because he is in a combat zone, will not be subject to taxation. It is not taxable income. Therefore, his taxable income is only $9,500. What happens? By going to Iraq, by serving his country for 8 months in a combat zone, his family loses both of the child tax credits.

This is not necessary. The Senate bill worked it out. It was deliberately deleted from the Senate bill, for what reasons I would certainly like the other side to explain.

Let me tell my colleagues one other thing. At this desk is a military tax fairness bill passed by the other body. If we really want to do something for the military, call it up. Because in every respect, the bill at the desk is more liberal, more beneficial to our service men and women. I hope you will answer the charges I have just made, rather than supporting the provisions included in this bill. This is an outrage.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, to hear the Republicans tell it, you might think that they were bringing this bill

to the floor to extend the child tax credit to the families of 12 million children. One might think that they believe that 6.5 million families, including more than 200,000 military families, deserve the child tax credit.

Where were they when they stole, when the Republicans stole the child tax credit in the dead of night from these hard-working families? For that matter, where were they when I offered an amendment back in March in the Committee on the Budget to extend this credit to those families and they all voted ''no,'' families who earn between $10,500 and $26,625. Yes, they pay taxes: payroll taxes, sales taxes, property taxes, excise taxes. Where was the compassion from my Republican colleagues when these families needed them? It was the Republican majority leader not 2 days ago who said he had more important things to do.

I will tell my colleagues where that compassion was. It was with Enron and all of the corporations who avoid paying taxes by relocating overseas and taking American jobs with them. You want to talk about welfare? That is welfare on a grand scale. Enron paid no taxes the last 4 out of 5 years, a disgrace; and they just ate away and took away people's pensions, and nobody in this House on the other side of the aisle is willing to do anything about that.

Now the Republicans hold hostage responsible legislation, overwhelmingly passed in the other body 94 to 2. And why? Because they want to use these families as a bargaining chip in their endless, endless quest to cut taxes for only the wealthiest Americans, driving our country deeper and deeper in debt.

Let us consider the other body's legislation. The White House wants to do it. Today the Republicans bring to the floor this irresponsible $82 billion bill. It is cynical, and it is designed to fail in the other body and to prevent these families from receiving the tax relief that they need. And to see more cynicism about this, most families are going to receive their tax credit on July 1.

Mr. Speaker, these families, these families, military families as well, have got to claim the tax credit next April. They cannot get it now when everyone else is going to. They do not deserve this. They are hard-working. They pay taxes. Let us give them a chance. Pass an honest child tax credit bill.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Sometimes we get lost here a little bit about the result of the 2003 tax cuts. In 2003, 91 million taxpayers will receive on average a tax cut of $1,126 under the Jobs and Growth Act of 2003. Sixty-eight million women will see their taxes decline on average by $1,338. Forty-five million married couples will receive an average tax cut of $1,786. Thirty-four million families with children will benefit from an average tax cut of $1,549, and 6 million single women with children will receive an average tax cut of $558. Twelve million elderly taxpayers will receive an average tax cut of $1,401. Twenty-three million small business owners will receive tax cuts averaging $2,209, and 3 million individuals and families will have their income tax liability completely eliminated by this act.

□ 1615

Now, today, we are going to do even more, because unlike some of the debate here, let us not kid ourselves, the other body sent a bill that does something for us from now until next election. That is 2004. That is when the child tax credit ends.

This bill today, when we vote it up or down, it is going to go to 2010. A $1,000 child tax credit is scheduled to sunset in 2005. It will gradually increase back to $1,000 in 2010. In this bill, it puts it up right up front, now to 2010, a $1,000 tax credit. It eliminates the marriage penalty on the child credit. It accelerates the increase to the refundable child credit. It provides tax relief and enhances tax fairness for members of the Armed Forces. It suspends the tax-exempt status of designated terrorist organizations. It provides tax relief for astronauts who die in space missions.

We are getting the job done, Mr. Speaker. America knows it.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL), the distinguished ranking member.

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Mr. Speaker, we should thank the heavens that we have got such an honest person like the gentleman from Texas (Mr. DELAY). They do not make people like that anymore.

The gentleman from Georgia who spoke so eloquently about the welfare bill that we are talking about today, and those who made these nasty, disparaging remarks and left the floor, this is honesty. This is the United States of America.

I wondered why, why would these good people, albeit Republicans, why would they drop a provision that only costs $3.5 billion that would help 12 million kids and 6.5 million working families? It is because in their minds if one is not an investor, one is on welfare.

Do we get where they are finally coming from? Have Members listened to the debate? They said refundable tax credits. That is not a tax credit. You can work every day, you can pay Social Security taxes, you can pay Medicare, you can raise your family, you can join the Army, you can fight in Iraq. But guess what, look into the Republican book and see how you are listed. As a hardworking American, as a mother and father concerned about their children, someone struggling every day to make ends meet, to pay the rent, to pay the mortgage, to pay the tuition? No. Look under welfare.

Then, of course, if we really want to find out who they think deserves tax relief, look at the hardworking people who get their dividends every day while they are at the clubhouse. Look at those that clip the coupons. These are the people, as they would say, who pay taxes; and they are the ones who get relief.

But when they said that they will never, never, never give welfare to these families, the President of the United States said, enough is enough. We got a bipartisan agreement. True, it is $10 billion. Swallow it, go home. But they said, no, no. No welfare.

Let us give them an offer that they have to refuse. For $3.5 billion, they are asking this hardworking family to pay back, for this, $82 billion. I do not know how this would work, whether the family gets $100 a year. But I do know one thing, that this deficit that they keep building on day after day, month after month, and the gentleman from Texas (Mr. DELAY) said they will be coming back, but each time they borrow money to give tax cuts to the coupon-clippers and those who get the dividends, they are asking the kids and the grandkids that we are trying to help today to pay for it. But $82 billion for $3.5 billion? That is so shameful.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman and I were not here when some of the tax-and-spend left kept spending us through an oblivion of deficits. We were here after 9–11 when we faced terrible tragedy in our country which has caused us to address the war on terrorism, to rebuild our cities, to address some of the complications of an economy that has slowed down.

I do not mind that the debate that America hears is whether we have a bigger central government that spends more of their money on programs that the government figures out; or whether the economy began moving because middle America and the poor of America had more money in their pockets to make their decisions what they wanted to do with that money, whether they wanted to pay off a consumer loan, whether they wanted to pay tuition, whether they wanted to use it just to help have some opportunity for their child, their mother, or father.

The decision that voters are going to make down the road is whether they want a smaller government that allows people to make more decisions on their hard-earned money, money out of their pocket; or whether they need more money in the downtown central government in Washington, D.C., or some government bureaucrat trying to figure out some way to help them out.

I am going to tell the Members, we have started on a tax cut. I read earlier the millions of Americans who are going to benefit across the board. We are now in a situation where we are going to watch.

Some of my colleagues on the other side of the aisle had every nay and say

about what is going to happen with the economy. I do not know, they do not know. But by 2004, in that fourth quarter, we are going to find out whether the economy of consumer goods began moving, confidence of investors began moving, and whether America started to see a resolve from a terrible tragedy of 9–11; to see, as the gentleman from California (Chairman DREIER) said, in the third and fourth quarters of 2000 when it slowed down, if it moved.

If it does move, there are going to be more Republicans on this side of the aisle; if it does not, maybe there will be a little less. But the conviction of the majority is, people have an opportunity and a right to have more money in their pockets for them to decide how to spend it, not Washington.

The only proven way to restrict government spending is to reduce revenues. Tightening the purse strings but providing much-needed tax relief is the only way to get money back in the hands of hardworking Americans and out of Washington.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, the rubber-stamp Congress is in session. Last night, they came up to the Committee on Rules. Nobody even bothered to come up and talk about the bill. They had an order from the President. Ari Fleischer said, the President says, pass it so he can sign it. So they had the little meeting up there and rifled it down here, with no hearings in the Committee on Ways and Means, not one single minute of debate in a hearing where we could listen to anybody give any opinion about what this bill does. But all of them came with their rubber stamps.

Let me tell the Members, if they go for what they put out there, the chairman has put out there, the President is going to be real mad, because the President does not like that bill. He likes the one that the Senate passed. So hold rubber stamps on the one for the gentleman from California (Mr. THOMAS) and save it for the one for the President.

All he asks Members to do is to approve; to say, I approve everything George Bush wants. That is what this Congress is about. They do not want any debate. They do not want to talk about how much this debt builds up or anything else; they simply want to be rubber stamps for the President. Boom.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Speaker, I rise in strong opposition to this unfair and undemocratic rule and proposal.

Only in Washington would the Republican tax cuts just signed into law by the President come at the expense of working families.

Only in Washington would Republicans borrow money to pay for that Republican tax package while failing to include child care tax credits for the working families whose very children will be forced to pay for the Republicans' fiscal irresponsibility.

Only in Washington would the Republican tax package leave one in five children of active duty U.S. military families out from benefiting from the increased tax credit while their parents are off risking their lives in Iraq, Afghanistan, or elsewhere for their Nation.

Only in Washington would Republicans then propose an $82 billion tax bill, adding another $100 billion to the national debt to fix a $3.5 billion problem.

If we repeal every sunset in their tax bill, which is what we are beginning to do here, we will have $400 billion in annual deficits. That is not what we want to do to the very children we are trying to help in this bill.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, there are two bills at the desk. They are right next to the podium there, H.R. 1307 and H.R. 1308. They are right there. The question to the gentleman from New York (Mr. REYNOLDS) and his leadership is, why not take those two bills, pass them today, and have them signed by the President? That is the question.

Well, someone comes here, the gentleman from California (Mr. DREIER), and reads a statement from the President. Oh, but just a few days ago his spokesperson said, he, the President, believes what the Senate has done is the right thing to do, a good thing to do, and he wants to sign it. Instead, they want to do something else.

The gentleman from Texas (Mr. DELAY) has maybe made clear, he said, as mentioned earlier, that there are a lot of things more important to do. Then a little later he says, to me it is a little difficult to give tax relief to people who do not pay income tax, though they pay all other kinds of taxes. So what they are doing is a bill with a huge, huge addition to the deficit. Maybe they hope that they will kill this bill when it goes over to the Senate.

There is a kind of legislative machoism going on here: we are going to show the Senate, at the cost of the people of this country. They are making wimps out of some Republicans who would like to vote the right way by tying this into a rule. They are making the President issue a statement that contradicts what was said on his behalf just a few days ago. Most importantly of all, what they are saying once again is, deficits be damned. Pile them up. Pile them up. Pile them up.

What I say is take these bills, let us pass them today, and get on with our work for the children of the United States of America.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, only a week ago I do not think the gentleman was advocating any tax cuts. But I just want to remind our colleagues that are both here and throughout the offices that in fiscal year 2004, in the adopted budget resolution, language was included for the first time limiting the amount of revenue reductions in the Senate to a deficit impact of $350 billion.

The House articulated its clear reservations to this maneuver because all revenue measures must originate in the House; we retained our right to develop more measures to reduce the tax burden on the American people.

So the options for the Committee on Rules, they could, one, accept the Senate proposals as a whole imposing offset requirements; two, call up an entirely new House bill, starting the process anew, with likely substitutes, in essence dragging out the process that would take the ability to move, and I am not sure whether the gentleman knows for sure we have a quorum tomorrow; and, three, we could stipulate the House prerogative to provide tax relief with a comprehensive proposal that has broad policy support.

Why should the House impose offsets when our own budget made room for a proposal just like this, the one I have outlined that does so much for working families across the country?

Mr. Speaker, I reserve the balance of my time.

□ 1630

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. HOYER).

(Mr. HOYER asked and was given permission to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, the gentleman from New York (Mr. REYNOLDS) talked about averages. Beware of averages.

If the gentleman from New York (Mr. REYNOLDS) gets $100,000 tax cut and I get a zero tax cut, that means the two of us got a $50,000 average tax cut. Beware of Republicans quoting average tax cuts.

The GOP's intransigence is on full display with the self-executing rule on this legislation to allow low-income working American families to benefit from the increase in the child tax credit.

Let there be no mistake: With this rule, the GOP leadership wants to send this legislation into conference committee where it hopes to tie up the bill and watch it die a slow death.

Two days ago, when the chairman of the Committee on Ways and Means, the gentleman from California (Mr. THOMAS) unveiled the House GOP's fiscally irresponsible version of this bill, he had the audacity to say, ''We are not in the business of politics, but rather policy.''

Well, I ask, is the United States Senate playing politics with this issue?

That body passed a responsible bipartisan bill, 94 Senators voting for it, giving relief to 12 million children and 6.5

million families. I ask, is the President of the United States playing politics when he said he would sign the Senate bill and urged us to pass it? And the Democratic Caucus on this side of the aisle, every one of whom is prepared to vote for the bill that the President says he will sign that will give immediate relief to 12 million children and 6.5 million working families.

So we all know who is really playing politics on this issue. And it is not Senate Republicans, Senate Democrats, House Democrats, and President Bush who support the immediate passage of the Senate bill. It is the House Republicans who have proposed an irresponsible, $82 billion bill that is not paid for, that would drive us even deeper into debt and possibly prevent low-income working families from receiving this benefit.

I have said on this floor before, when you did not allow us to offer a substitute, that you did not have the courage of your convictions. I have said on this floor before when you did not allow us to offer amendments, that you did not have the courage of your convictions. Now, you not only do not allow us to offer a substitute, you do not allow us to offer amendments, you do not even have the courage to put your own bill on the floor.

The public probably does not understand that. This is a rule. Not the bill. We are not debating the bill. And, as a matter of fact, the committee whose jurisdiction has this bill is not even on the floor and they have not spoken on this bill. The leadership of the committee has not come forward and said that it is good bill. They have handled it on a procedural matter. Why? To muzzle us and to muzzle their folks who they do not rely on to vote on the substance of this bill, but hope and pray they will get enough of their people on the procedural end of this bill to carry the day. That is unfortunate.

Eighty-two billion dollars of deficit that Americans are going to have to pay for, my children are going to have to pay for, my grandchildren are going to have to pay for; and we do not even have the courage to put the bill on the floor, but this rule ruse is what we are confronted with.

Vote no on the previous question. Vote no on the bill.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not think there are any rubber stamps in that package.

Mr. Speaker, in this short time, it is 4:34, daylight, we will have an opportunity to have our colleagues come in, and they are going to vote yes and they will do a tax cut that varies on the All-American Tax Relief Act of 2003, or they will vote no and say all those press releases I put out last week wanting to move expeditiously on this, they do not really matter because now it is before us.

Well, it is here. And I must say both the chairman, the gentleman from California (Mr. THOMAS), and others from the Committee on Ways and Means and the Committee on Rules found a solution to meet what seemed to be Republican and Democrats wanting to expedite this bill. And so we took the House resolution with a Senate amendment. The Senate amendment we have disposed with, the House coming back quickly with the amendments to go to the other body. And it is going to be done today. It is not going to be done tomorrow. It is not going to be done next week. We have an opportunity to do it right now.

And while we are listening to all of this, some of them on procedure, I just want to remind the esteemed whip that I think we have been debating the merits of this bill for an hour; and some agree, some do not. Pretty soon we will put it up, 4:35, and take a look at how it ends. But I want to remind my colleagues that this bill, as amended, and sent back to the Senate will increase the child credit for $1,000 for an eligible child through 2010; not for some slick promise of 2003 and 2004, and then it slides back after the next election. It is straightforward, straight up, right until 2010. It eliminates the marriage penalty on child credit. It accelerates the increase in the refundable child credit. It provides tax relief and enhances tax fairness for members of the Armed Forces. It suspends the tax-exempt status of designated terrorist organizations and provides tax relief for astronauts who die on space missions.

Those pieces of legislation, as they were before us or the other body, have been dealt with in the last several months and years by this body or the other body. So when we get done here with this debate, we are going to have an opportunity, yes or no. If you vote yes, you are going to give America that tax cut. If not, you are going to find some way to wrangle out of it with a press release. But what I heard was everybody wanted to get underway and make this happen. The Committee on Ways and Means and the Committee on Rules is giving this honorable body that action today.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. SWEENEY). The Chair will inform Members that the gentleman from New York (Mr. REYNOLDS) has 3½ minutes remaining. The gentleman from Texas (Mr. FROST) has 4 minutes remaining.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. NEAL).

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, I would remind the gentleman from New York (Mr. REYNOLDS) here that I am a member of the Committee on Ways and Means, and we did not have any markup. We did not have any opportunity to debate this bill in committee.

We call it the All-American Tax Relief Act. It is red, white and blue. And you say to yourself, who could possibly object? I object. And I object on behalf of those 200,000 military families who are ineligible for this enhanced child tax credit, even though they served honorably in Iraq and Afghanistan and other combat zones. They apparently are not all-American enough to qualify for this bill. That provision is missing from the House All-American Tax Relief Act.

You might have noticed that the refundable tax credit has no revenue impact this year under the House bill but does so under the Senate bill. How could it be that the stars-and-stripes House bill provides no relief this year? That is because the all-American bill rejects the notion that low-income families deserve immediate relief as every other American family will get in the next 6 weeks.

Low-income families must wait for their checks until next year, and, of course, those serving in a combat zone, they can wait forever. Reject this bill. It is unpatriotic.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Alabama (Mr. DAVIS).

Mr. DAVIS of Alabama. Mr. Speaker, one of our esteemed colleagues on the other side of the aisle is very fond of beginning his speeches by saying that nothing underscores more the difference between our two parties than whatever we are debating that day. And I happen to agree with him on this issue, Mr. Speaker.

I have only been here for 4 months, and I have heard a lot of debate in this Chamber, but I say this very candidly: My party would not have reached into the pockets of hardworking Americans to get to a $350 billion cutoff number. My party would not leave veterans out of a package that purports to help people. And my party would not have to depend on a procedural maneuver to get votes to pass a tax credit for working families.

There are very fundamental differences between our parties and they are very much on display today. I urge all of my colleagues in this Chamber to understand that the very people who are steamrolling this particular bill through this Chamber today in the form of a rule vowed to kill it just several days ago. That would be very powerful proof if we had a jury and we had a trial here.

The very people that are pushing this measure today vowed several days ago that it would not be.

Mr. REYNOLDS. Mr. Speaker, if the ranking member would consider, I have one speaker to close. And if he would like to close, then I will do that and yield to the majority leader. If he has more speakers, I will reserve the balance of my time.

Mr. FROST. Mr. Speaker, I have one speaker and then I will close.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me time and for the magnificent way that he has managed this rule today.

Little did we know when we were discussing this issue of an expansion of a tax credit for working families in our country and for the children of our military men and women, that it would be a bill that would be managed by the Committee on Rules. Little did we know that a bill of the magnitude of $82 billion would be something that would be unveiled on Tuesday night, not go to committee for review; when it went to the Committee on Rules yesterday, to not have the leadership, the author of the bill, present to defend it. And now we know why. Because they never intended to have a rule to bring the bill to the floor.

So frightened of debate on this issue are the Republicans, so frightened of the outcome that their own Members could not support this outrage that they are putting forth today, that they had to hide their ill will towards America's children behind a procedural vote to command the loyalty of the Republicans on a procedural vote while they knew they could not hold them on the substance of their bill. But that is the reality of it. And so we have to use the opportunities under this rule, as limited as it is, to point out what is so very, very wrong about what is going on on the floor of the House today.

Let us talk about the children. President Kennedy said that children are our greatest resources and our best hope for the future. A beautiful statement. One I am sure that we would all agree with. He did not say children of those making over a certain level of income in our country are our greatest resources, and if their parents do not serve in the military, they are our best hope for the future. But that is what this rule says today.

We had an opportunity in this body to expand the tax credit for children of working families and of military families by simply calling from the desk the Senate bill. It is right there at the desk. We could take it up by unanimous consent. The distinguished majority leader is here. We could agree to take it up by unanimous consent. It would be passed unanimously. It would be on the President's desk within the hour, signed into law, and all of the children that we are talking about, children of our men and women in uniform, children of families making between $10,000 and $26,000 would get the tax credit expansion this year.

No matter what the Republicans want to say about their proposal, it sabotages that good intention. There is no way with the proposal that they are putting forth, costing $82 billion unpaid for, indebting the same children they purport to care about, indebting those same children to the tune of $82 billion, granting with one hand but not granting to all children, and not granting this year but taking away with the other for a long time to come, burying our children in a mountain of debt heaped onto the debt incurred by their previous tax legislation, and depriving the children of the Federal initiatives to invest in their education, in their health, in their well-being, in their future, and in the future of our country.

The Republicans insist on doing this even though the opportunity that I said earlier exists. And why? One would have to suspect that they do not want to have a tax credit for the children of America's military and the children of working families between the income of $10,000 and $26,000, certainly not this year.

□ 1645

Even though we cannot take up a full consideration of the bill or, heaven forbid, a substitute to it, indeed even the Senate bill which passed 94 to 2, a bipartisan piece of legislation, approved by the President, even though we cannot do it and we cannot have that discussion, it is important to note several facts.

One is the families that we are talking about here, working full time, working full time, many of those families make in a year less than Members of Congress do in 1 month; and yet Members of Congress, their children will receive the expansion of the tax credit this year; but no, no, no, if you make $10,000 to $26,000, I am sorry, children, you are out of luck. The Republicans give new meaning to the biblical phrase, ''Suffer little children.''

The other point to make is about the military. In the military, it is important to note that combat pay does not count toward consideration of the children's tax credit. Under current law, and this is important to note, under current law an E–5 or an E–6 sergeant with 6 years of service and two children would not be entitled to the full tax credit if he is in combat. So the minute that sergeant went to Iraq, if he stayed there for 6 months, his combat pay would not count toward his income for tax purposes, and so his children would not receive the tax credit expansion. This is not corrected in the Republican bill. The Senate bill helps these military families. The House bill does not.

It is important also to know that this legislation really is suspected as one that would kill the expansion of the tax credit. The Senators have said that they will not support the package if it is not paid for. They certainly have made it clear that they are not going to add $82 billion, $82 billion to the deficit, to the debt.

The issue before the House is clear. We can pass a fiscally responsible tax credit bill that helps 12 million children, including 250,000 children from military families, or we can indebt them for future generations. We can invest in our children, or we can indebt them. That is the choice that the Republicans have put before us.

Mr. Speaker, when I referenced the comments of President Kennedy, it was with the hope that we would agree in a bipartisan way in this body that when we say children are our greatest resource and our best hope for the future, that we are talking about all of the children in our country. We all want the best for our children. Many of us are privileged. I have five children, five grandchildren. I want the best for them, but they cannot have the best opportunity unless every child in America has opportunity. The Senate bill would enable that. The House bill does not.

I urge my colleagues to vote ''no'' on the rule and, in doing so, to support the value that we place on our children as our messengers to a future we will never see but that we want them to take forward a message of respect for all children in our country.

Mr. FROST. Mr. Speaker, just to clarify, does the gentleman——

Mr. REYNOLDS. Mr. Speaker, am I to be recognized?

The SPEAKER pro tempore (Mr. SWEENEY). The gentleman from New York (Mr. REYNOLDS) has 3½ minutes remaining. The gentleman from Texas (Mr. FROST) has 1 minute remaining.

Mr. REYNOLDS. Mr. Speaker, I want to know if I can be recognized.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

As I listened here, I kind of got the same confusion of when I listened to some of my colleagues on the debate when we just did some tax relief not long ago. Class warfare, this is all for the rich. I reminded my colleagues that I come from kind of a small town in upstate New York, and the debate occurred with my colleague, the gentleman from New York (Mr. RANGEL) from Harlem, and the gentleman from Texas (Mr. FROST), the ranking member of the Committee on Rules from Grand Prairie. None of them are really rich communities, and I cited that the tax bill the House Republicans moved forward on the floor after the adoption of the rule and then later passed took a family of four to make 40,000 bucks in my district and took their tax relief from $1,785 they had to pay down to about $40. I think that is real tax relief. I do not think $40,000 is rich.

When I look at the legislation, I watch the press releases all over America say let us get on with it. We are on with it. Today we are either going to vote ''yes,'' and I think it is going to be bipartisan, we are going to vote ''yes'' and send it to the Senate, or we are going to vote ''no.''

But I want to remind some of my colleagues when we get the light of day on this tax bill that was sent to us by the Senate there a couple of things we might have made an improvement on as House Republicans because my colleagues on the other side of the aisle might argue that the Republican tax

relief plans rob Peter to pay Paul, in other words, tax cuts for the rich. However, the Senate proposed offsets, Customs user fee extensions. I would argue this is robbing Peter to pay Paul because if you are raising taxes on those who actually pay them in order to subsidize tax refunds for those who share in no income tax liability whatsoever, it is fiscally and fundamentally unsound.

The only proven way to restrict government spending is to reduce revenues. Tightening the purse strings by providing much needed tax relief is the only way to get money back to hard-working Americans, no matter how wealthy or poor they are. Get it out of Washington and back in the pockets of American taxpayers.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, Republicans face a choice. They can do the right thing by passing the Senate bill, giving 12 million children and their working families immediate tax relief, or they can do the wrong thing by continuing to explode the deficit with a bill that the other body will never accept.

I urge Members to do the right thing and vote ''no'' on the previous question. Do the right thing for working families. Do the right thing for military families. It is not hard. Just do the right thing. If the Republicans tried it, Mr. Speaker, they might find they actually liked it. Come on in, Democrats say, the water is just fine; the water is warm.

If the previous question is defeated, we will immediately take from the Speaker's table H.R. 1307 and H.R. 1308, the Senate-passed version of the Armed Forces Tax Fairness bill and the child tax credit. This House will pass them unanimously and send them to the President for his signature. This is it. No games, no delay. Just immediate tax relief for working and military families that is completely paid for.

Mr. Speaker, these bills are at the Speaker's table. What is the choice? Do Republicans want to pass the bills, or do they want to kill the bills? Will they ever choose the right thing? Democrats await their answers. Vote ''no'' on the previous question.

Mr. Speaker, I ask unanimous consent that the text of the amendment be printed in the RECORD immediately before the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

This vote is actually quite simple. A ''yes'' vote means greater fairness in the Tax Code and a mere tax relief for American workers families and children. A ''no'' vote stops that relief from moving forward and hurts the very people I know many of my colleagues eagerly want to assist.

I urge my colleagues to join me in voting ''yes'' on this resolution at the end of the debate.

Mr. Speaker, I am honored to yield 1 minute to the gentleman from Texas (Mr. DELAY), the distinguished majority leader.

Mr. DELAY. Mr. Speaker, this is a big one. This bill really crystallizes the differences between the two parties, and the American people should know exactly what is going on here today.

We are here to answer one question, do you support a $1,000 child tax credit, or do you not support it? This bill that we are debating here today provides $80 billion in tax relief and $77 billion of it extends the life of the child tax credit instead of cutting it off in 2004.

At the end of this vote, the American people will see that the Republican Party believes in helping families through the child tax credit and the Democrat Party does not. The record up to now is very clear. In 2001, a Republican Congress and a Republican President doubled the child tax credit to $1,000, and the Democrats voted ''no.'' Just a few weeks ago, the President's jobs and growth package expanded the child tax credit and took 3 million low-income Americans off the tax roles altogether, and once again, the Democrats voted ''no.''

Now our critics said it was too big. Then they turned right around and demanded that we make it bigger. You said working Americans needed additional tax relief, and you know what, the Republicans could not agree more with you.

Consider a single mother of two earning $20,000 a year. Under the Clinton tax hike of 1993, her total tax bill, including income tax, payroll tax, local taxes, State taxes and the sales tax was more than $800. Now, after the Bush tax relief of 2001, that same single mother's total tax bill shrunk to less than $100, and under the President's jobs and growth package we just passed, that same single mother's total tax bill is now zero, and in fact, she now gets additional money from the American people because of tax relief that the Republicans passed, and all along the Democrats voted ''no.''

Under the bill we pass today, not only will that same single mother pay no taxes, but she will get more than $400 in additional help from the American people; and yet if this debate is any indication at all, you will still vote ''no.''

Our critics talk a very good game, but this is their chance to put their money where their mouth is. I will ask again, are you for a $1,000 child tax credit, or are you against it?

This bill is real simple, Mr. Speaker. It extends the life of the child tax credit. It provides additional help for lower-income families, and it eliminates the marriage penalty. It includes, by the way, tax relief for military families, which you all have been calling for, and revokes the tax-exempt status of terrorist organizations.

Finally, it will provide tax relief for the families of astronauts who lose their lives in the service of their Nation in space like the Columbia 7. This is a pretty important point, especially for me. Members from Florida and Texas, whose constituents include astronauts and members of the NASA family, have a clear choice to make. Will they cast their votes with their courageous constituents or with the empty promises of the obstructionists? How can Members from Texas and Florida, how can any Member, oppose this piece of legislation?

In this bill, we have given our critics everything that they have said they wanted to help lower-income Americans, and now with the whole world watching and the credibility of the Democratic Party on the line, are you for a $1,000 child tax credit, or are you against it?

In just a few moments we will once again see which party stands up for the cameras and which party stands up for working families.

Ms. MCCARTHY of Missouri. Mr. Speaker, the issue today is fixing a mistake of the last round of tax cuts: the inherent bias of the Child Tax Credit. Although the Child Tax Credit was a great victory for the families of America, it was not perfect. It created an inequality between the poor and rich by excluding 6 million members of the working class from the tax breaks.

Recognizing this error, the Senate, with support of the President, passed a bill correcting this inequality. This bill extends the tax breaks to those 6 million previously left out, while also providing an effective way of paying for the breaks. It solves the problem facing us while also being fiscally responsible.

By accepting the Senate's bill, the House could get the legislation quickly on the President's desk, expediting financial aid to those who most need it. If only it was that easy. Instead of moving to accept this legislation, the House Leadership has seized this opportunity to further their cause of additional tax relief for the wealthy. They have taken this bill and manipulated it into a tax cut with an $82 billion price tag, which will further contribute to the exponential rise of our nation's debt. Additionally, in a rarely used political maneuver, they have attached this bill to a vote upon the rule governing consideration, not the measure itself.

I urge this House to stop these political games, defeat the rule and address equity in the Child Tax Credit by passing the measure agreed to by the Senate and President Bush.

Mr. BLUMENAUER. Mr. Speaker, it is appalling that a substantive vote on H.R. 1308 has been denied. The use of a self-executing rule has transformed the House action into a procedural vote guaranteeing its passage while denying any kind of fair fight on the spending of nearly $80 billion additional dollars.

The bill before us today says more about our long-term priorities than about helping the lower income families and children left out of the recently enacted tax cut. Apparently, based on the actions of the Republican leadership, there is not enough money for hard-

working, low-income people, but there is money to help people who are much better off. The gist of the tax credit debate these last two weeks has been about the lesser tax credit offered to families that make between $10,500 and $26,625 per year. Providing these families with the same child tax credit as families making up to $110,000 per year would cost $3.5 billion.

Today, we are debating a bill with a price tag of $82 billion. This comes on the heels of new projections that our budget deficit this year will surpass $400 billion, far exceeding any other one year budget shortfall in history. Many economists are projecting a 2004 budget deficit on one half of a trillion dollars. The exploding deficit will, in this year alone, add about $16 billion in extra interest payments, which simply reduces funding available to other needed programs.

All the groups that care deeply about children and poor people are appalled by this bill, and will be left to hope that the Senate has the good sense to resist it. If this bill succeeds it will accelerate the pace of reauthorizing these proposals, eliminating the sunsets and making them permanent leading to even more dramatic budget shortages. These deficits will squeeze out funding for necessary programs and establish the principle that we are not going to help those that are struggling in this depressed economy.

The Republican leadership is spending 6 times as much to give the tax credit to the top 10 percent of the population as they are to extend the benefit to the modest income families they left out. For about the same cost as giving it to the most well off, they could extend coverage to those making as little as $7,500 per year. It's all about priorities.

I do not share these priorities. I only wish there would have been a chance to vote against their proposal.

Mr. HASTINGS of Florida. Mr. Speaker, I rise today in strong opposition to H.R. 1308, the ''Only If you Make Enough Money'' All American Tax Relief Act of 2003.

In the Federalist Papers, Alexander Hamilton writes, ''I know that powerful individuals, in this and in other States, are enemies to a general government in every possible shape.'' Perhaps Hamilton had the current Republican Caucus in mind when he issued this warning more than 225 years ago. Clearly, the bill that this body is considering today is an example of power, ignorance, and plain and simple greed.

When the President signed into law the most recent tax cut, he signed a flawed bill. It was flawed when it first passed the House and it was flawed when the Conference Report was approved. Honestly, Mr. Speaker, I'm not surprised. As in so many other instances, during the still of the night—when the majority of Americans had already gone to bed—House Republicans cut a deal with Senate Republicans and rushed to complete a tax cut requested by an over zealous President.

As America has had a chance to sift through the most recent tax cut, it has become clear that the Republican Majority passed a bill which neglects more than 12 million children who are growing up in low-income families and the ability for their parents to benefit from the expansion of the child tax credit. Even worse, when provided with an opportunity to fix what is wrong with the initial bill—in a non-controversial manner and at a relatively inexpensive cost—the Republican Majority has proven that it is more interested in scoring political points with the rich at the expense of America's children.

Now, I'd like to give the Majority the benefit of the doubt and believe that the exclusion of families making between $10,500 and $26,625 was a simple oversight. However, after examining the bill that the House is considering today, as well as the reluctance at which the Majority is bringing it to the floor, it is increasingly clear that the ''oversight'' Republicans made in the most recent tax bill was anything but an oversight. Instead, it was a concerted effort to avoid extending the credit to all families, rich and poor, to save offset room for an international business tax bill that the Majority Leader and Chairman of the Ways and Means Committee have each indicated is a priority.

Well, Mr. Speaker, I can think of no greater priority than helping America's children and neediest families. This bill does little of the sort.

The Majority may try and sell this bill to the American public as one that helps those who need it most, but the truth remains that the bill is filled with tax cuts that benefit the wealthy more than six times as much as they do the needy. This is a tax cut that further drives our country into debt and deficit spending, and it lacks even the slightest bit of fiscal responsibility.

Mr. Speaker, I've often been referred to as a ''tax and spend liberal.'' Well, I'm liberal and I'm proud of it. Frankly, I don't mind spending our tax dollars on government programs that, one, help people, and two, can be paid for through honest fiscal policy and, to the extent possible, balanced budgets. On the contrary, perhaps it might be best to describe the Majority as a bunch of ''cut and charge conservatives.'' The key difference between them and us is that Democrats pay up front for the government programs we support, whereas Republicans pay for their priorities on credit cards and leave the debt for future Democratic Majorities to pay off. This bill further runs up America's charge account for generations to come.

I urge my colleagues to reject this bill and join America's children and call on the Republican Majority to bring the Senate passed child tax credit bill to the floor for its immediate consideration.

Mr. BEREUTER. Mr. Speaker, it is unfortunate, but H.R. 1308 is a new $82 billion tax cut package that simply is too large. The House-passed version of H.R. 1308 will add to the already unprecedented national debt that future generations will face. Apparently, the Senate last week initially considered a proposal similar to the House-passed version of H.R. 1380 during its negotiations on child tax credit legislation, but the Senate rejected this proposal out of hand because of the effect it would have in worsening the deficit.

Furthermore, while the focus of debate has been on the extension of the child tax credit, only a tiny fraction, about 4 percent, of the $82 billion tax cut amount—$3.5 billion—goes toward extending the child tax credit for the estimated 12 million children who were left out of the previously enacted tax cut legislation. It is also unfortunate that over two-thirds of the House-passed version for child tax credit benefits will go to many higher-income families through an increase in the income level from $110,000 to $150,000 at which the child tax credit begins to phase down for married families. This would make married families in the $110,000–150,000 income range, who now receive a partial child tax credit, eligible for a full credit. It also extends a partial tax credit to many families in the $150,000–$200,000 range or, in the case of families with more than two children, to some families with incomes exceeding $200,000. The extension of the credit to these higher-income families would cost $20.4 billion through 2010 under the House-passed bill. While the Senate-passed child tax credit bill has a similar provision, it costs only $4.8 billion because the Senate provision would not begin to phase in until 2008 and would not take full effect until 2010.

Mr. Speaker, therefore, what is at stake is more than a simple extension of the child tax credit, instead what is at stake is whether or not many of the major tax cuts already passed will be extended beyond their sunsets and whether new additional tax cuts will be passed to further add to our deficit without the costs being offset. This Member believes that if this happens then our nation's long-term fiscal status is destined to markedly decline. Furthermore, this Member has been an outspoken critic that the original tax cut proposal from the Administration was too large, and this Member continues to believe that unless we take a more fiscally responsible course of tax cuts, then we will simply be passing a greater mountain of debt of our nation's children and their children. This Member also believes that such fiscally irresponsible tax cuts will increase the pressure to make even more draconian cuts in our Federal programs—beyond what is considered to be the necessary cuts to eliminate waste, fraud and abuse in such programs.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to the Republican Tax Cut bill, H.R. 1308, and in strong support of the Democrat's Child Credit package passed in the Senate.

I stand today in solidarity with my Democratic colleagues to stop the attack on America's children and families. The Democrats have proposed a clean child tax credit bill that will provide relief to millions of America's children and families. The Republicans are trying to bog our bill down with unnecessary provisions. America's children are our number one priority. I don't understand why the Republicans continue to put our children at risk.

The America we believe in is one of fairness. The Republican tax cuts have failed to live up to that test. At the expense of America's children they chose to give tax breaks to the wealthiest Americans. In fact, an advocacy group study found that under the Republicans' plan, a million children of active-duty military families and military veterans would not get tax relief. That is wrong and we must do better.

The Democrats have given the Republicans a means of reversing their damaging tax cut and helping America's children. If they chose to take up the Senate legislation, House Republicans could get 6.5 million hard working families child tax credit checks this year. This would provide America's working class families with the same breaks as families with higher incomes. Some of these families work full-time at the minimum wage and still make less than $11,00 per year.

The Republican's bill contains is damaging to the families and children of our brave men

and women in uniform. Under current law, an E–5 or E–6 sergeant with 6 years of service and 2 children is paid $29,000 a year. If he did not serve in combat, both of his children would be entitled to the full $1,000 tax credit; but if he goes to combat for 6 months his credit would drop to approximately $450 under the House bill. The Senate bill helps these military families, the House bill does not.

Republicans are exploiting the child tax credit provision in order to pass even more tax cuts that will burden America's children with insurmountable debt for years to come. This was all done in order to make room for a dividend tax cut target to the wealthy few. It is time for House Republicans to right this wrong, stop playing politics, and pass the Senate bill.

Strengthening our nation means investing in all of our children. Further, the Republican decision to delay the increase of the child tax credit disproportionately harms military families and black and Hispanic families. Experts estimate that 260,000 children—or one in five—from families of active military will lose some of the child credit because of the Republican's decision to drop the Lincoln provision. It also disproportionately penalizes black and Hispanic children. Minority children, including 2.4 million black children, and 4.1 million Hispanic children will be left in the cold by the Republican plan.

The Senate Bill is the Way to Strengthen the Economy. The Democrat's plan is preferable because it puts money in the hands of working Americans by keeping our fiscal house in order can we create jobs and build a strong economy.

For these reasons, Mr. Speaker, I support the bill passed by the Senate and say shame on the supporters of H.R. 1308, who insist on doing harm to America's children.

Mr. MEEKS of New York. Mr. Speaker, I stand here today to discuss real intentions. The real intentions of the majority party to continue its careless actions that further devastate a suffering economy, that further diminish the opportunities of working and military families to care for their loved ones, and that further helps the rich become richer and the poor become poorer.

My colleagues, last month's $350 billion tax-cut package that passed was not really about stimulating the economy, but instead it was about borrowing nearly a trillion dollars to engineer a permanent shift in the tax burden away from the very wealthy, and a permanent reduction in federal revenues. If the tax bill's real intention was to stimulate the economy, those 12 million checks of up to $400 would have been first in, not first out, of the legislation. Again, the real intentions of the majority came to light—to provide relief for upper-income taxpayers. These real intentions are best seen in H. Res. 270, which provides low-income families with a child tax credit, but only if higher-income families are also eligible.

The intentions of the majority have caused many upper-income taxpayers to pay attention to what is currently happening and they send a thank you to those who support this shady legislation. They want to say:

Thank you for borrowing another $82 billion at a time when the federal deficit has exceeded $400 billion for 2003 and approaches $500 billion for 2004, adding billions of dollars in ''debt tax'' onto the backs of the very families that need this assistance the most.

Thank you for making a compromise between the two parties so hard to reach, for you are only further preventing discussion of a real prescription drug benefit and the rising percentage of unemployed people across this great nation.

Thank you for ignoring the agreement reached in the Senate, you are only further keeping Congress from focusing on other important issues such as the 41 million uninsured people in this nation.

Thank you for the corporate welfare to criminal enterprises like MCI Worldcom who stole the retirement savings of more than 1 million pension holders in New York State. These pension holders were victimized by MCI Worldcom's fraud and now see MCI abusing Sec. 108 of the Internal Revenue Code of 1986 in order to avoid paying about $4 billion in future taxes because of its past criminal behavior.

Finally, thank you for the deceptive games being played, we truly see how as a majority party how careless and clueless you are about what it takes to restart this economy and support needy families throughout this nation.

Mr. PORTMAN. Mr. Speaker, I rise today in strong support of the All-American Tax Relief Act of 2003. This is a balanced approach to extending tax relief to America's families.

This tax package not only gives relief to American families that need a helping hand, but it also provides fair tax relief to military families and young married couples.

Tax relief to military families, Mr. Speaker, who sacrifice so much to protect and contribute to our American way of life.

Tax relief to young married couples, Mr. Speaker, who are just starting out and building a family of their own.

We have heard the Democrats all day say that Republicans are giving more tax breaks to the rich . . . Well I don't know about you, Mr. Speaker, but I don't know too many military families or young married couples that I would call rich.

Two weeks ago, the Democrats said we were providing too much tax relief to American families, then last week the Democrats said we were not giving enough tax relief to American families, and, as we have heard here time and time again today, the Democrats now say we are once again giving too much tax relief to American families.

I say to my friends across the aisle, which is it?

I also say to my friends across the aisle, stop playing politics with the American people's money.

The All-American Tax Relief Act of 2003 is a balanced approach to providing tax relief to families with children. Every parent knows there is always another pair of sneakers to buy, or another text book or calculator to buy and this bill gives parents more of the money they earn to spend it on the needs they have.

This bill brings long overdue tax fairness to America's military families.

No longer will the surviving family members of soldiers that lost their lives protecting this country have to be taxed for the money they receive for their loved ones' sacrifice.

No longer will military families be taxed on assistance they receive when their home values drop because Congress closes bases.

No longer, Mr. Speaker, will our military Reservists be prevented from deducting travel expenses incurred by serving this country.

The All-American Tax Relief Act of 2003 does just what it says; it provides balanced tax relief to all of America's families.

I urge my colleagues to support this bill and I urge the Democrats to stop listening to their pollsters and start listening to the many Americans that not only want, but need tax relief. This is not an issue to play politics with; this is an issue to provide leadership on.

Mr. MOORE. Mr. Speaker, I rise today in opposition to H.R. 1308, a measure brought to the floor by House Republican leadership with little intention of truly helping America's working families.

On June 9, I sponsored important bipartisan legislation that would help each and every parent pay their bills during this time of financial uncertainty. My bill, H.R. 2392, would restore the child tax credit to working families; it is the House version of a bill passed by the Senate last week, on a vote of 94–2, supported by our Senators ROBERTS and BROWNBACK.

If the House passes my bill without amendment, it would immediately go to the President for his signature. President Bush has asked Congress to act on this bill now.

My bill would fully restore those provisions of the President's tax cut that were stripped out by the House leadership in order to make room for a larger dividend and capital gains tax cut.

This bill would restore the child tax credit to the families of over 12 million children nationwide, 1 million of whom have parents serving in the military. In Kansas, this bill would assist over 162,000 children and their families who have received this credit since 1997—a credit which was taken from them by the leadership in the House.

These families earn between $10,500 and $26,625 per year. They work hard to raise their children—and helping hard-working families make ends meet and raise their kids is the goal of the child tax credit.

This bill is not about welfare. This bill is about helping working families who pay taxes to receive tax relief. This bill is about fairness for all families and children.

My bill is about our priorities; and our priorities reflect our values.

Taking the child tax credit away from hard-working Kansans doesn't represent Kansas values. It wasn't compassionate. It wasn't fair. And it still isn't right.

My bill will help parents struggling to make ends meet. They will use the additional $400-per-child tax cut to buy clothes or shoes or books for their kids—helping their families and providing an immediate boost to our economy at the same time.

The House leadership hopes to appear to be assisting our most needy families when, in fact, their real goal is to kill this bill. Indeed, the Senate has already moved to bring relief and President Bush has called for quick House action on a measure to restore this portion of the child credit. In vote after vote this week, my colleagues and I who support helping working families have given House leaders the opportunity to follow the Senate; heed the President's call; and bring up my bill. They have repeatedly said—and voted—no.

Instead, they have decided to slow and muddy this process by considering a budget-busting bill that will cause a tedious conference committee; thus, serving only a defeat any attempt to bring relief to working families across America.

In addition, Mr. Speaker, the Thomas proposal costs $82 million and is irresponsibly laden with goodies and extras, in an attempt to slow this process. My alternative offers clean language mirroring the Senate legislation, in accordance with the President's request, and a $10 million paid-for price tag.

This is Washington politics-as-usual at its worst.

I applaud the effort underway to defeat the rule on this bill so that either the Senate bill or Castle-Tanner-Moore can be taken from the desk, considered, passed and immediately sent to the President for enactment.

Mr. Speaker, I ask my colleagues to consider their values and priorities when voting on this legislation. Passage will slow the process to help alleviate fiscal pressures endured by families across the nation; rejection of the Thomas bill will be a step forward in the flight for hard-working families who need and deserve this support.

The material previously referred to by Mr. FROST is as follows:

PREVIOUS QUESTION TEXT FOR H. RES. 270

Strike all after the resolving clause and insert in lieu thereof the following:

''Immediately upon adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to end certain abusive tax practices, to provide tax relief and simplification, and for other purpose, with Senate amendments thereto, and a single motion that the House concur in each of the Senate amendments shall be considered as pending without intervention of any point of order. The Senate amendments and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question.

''SEC. 2. Immediately after disposition of the bill H.R. 1308 the House shall be considered to have taken from the Speaker's table the bill (H.R. 1307) to amend the Internal Revenue Code of 1986 to provide a special rule for members of the unformed services in determining the exclusion of gain from the sale of a principal residence and to restore the tax exempt status of death gratuity payments to members of the uniformed services, and for other purposes, with Senate amendment thereto, and a motion that the House concur in the Senate amendment shall be considered as pending without intervention of any point of order. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to final adoption without intervening motion.''

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. REYNOLDS. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 225, nays 201, not voting 8, as follows:

[Roll No. 273]

YEAS—225

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—201

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—8

Ackerman
Blumenauer
Cubin
Eshoo
Gephardt
Johnson (CT)
Linder
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY) (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1720

Mr. GORDON and Mr. DAVIS of Tennessee changed their vote from ''yea'' to ''nay.''

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 224, nays 201, not voting 10, as follows:

[Roll No. 274]

YEAS—224

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Carter
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Janklow
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ose
Otter
Oxley
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—201

Abercrombie
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Bereuter
Berkley
Berman
Berry
Bishop (NY)
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Case
Castle
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Ehlers
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Harman
Hastings (FL)
Hefley
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Quinn
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—10

Ackerman
Blumenauer
Brown-Waite, Ginny
Cubin
Eshoo
Gephardt
Johnson (CT)
Linder
Smith (MI)
Smith (WA)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members are advised that there are 2 minutes remaining in this vote.

□ 1728

Mr. CARSON of Oklahoma changed his vote from ''nay'' to ''yea.''

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 270, the House, A, concurs in the Senate amendment to the title of H.R. 1308; and, B, concurs in the Senate amendment to the text of H.R. 1308 with the amendment printed in House Report 108–149.

The text of the Senate amendments is as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Relief for Working Families Tax Act of 2003''.

TITLE I—CHILD TAX CREDIT

SEC. 101. ACCELERATION OF INCREASE IN REFUNDABILITY OF THE CHILD TAX CREDIT.

(a) ACCELERATION OF REFUNDABILITY.—

(1) IN GENERAL.—Section 24(d)(1)(B)(i) of the Internal Revenue Code of 1986 (relating to portion of credit refundable) is amended by striking ''(10 percent in the case of taxable years beginning before January 1, 2005)''.

(2) ADVANCE PAYMENT.—Subsection (b) of section 6429 of such Code (relating to advance payment of portion of increased child credit for 2003) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end the following new paragraph:

''(4) section 24(d)(1)(B)(i) applied without regard to the first parenthetical therein.''.

(3) EARNED INCOME INCLUDES COMBAT PAY.—Section 24(d)(1) of such Code is amended by adding at the end the following new sentence: ''For purposes of subparagraph (B), any amount excluded from gross income by reason of section 112 shall be treated as earned income which is taken into account in computing taxable income for the taxable year.''.

(b) EFFECTIVE DATES.—

(1) SUBSECTIONS (a)(1) AND (a)(3).—The amendments made by subsections (a)(1) and (a)(3) shall apply to taxable years beginning after December 31, 2002.

(2) SUBSECTION (a)(2).—The amendments made by subsection (a)(2) shall take effect as if included in the amendments made by section 101(b) of the Jobs and Growth Tax Relief Reconciliation Act of 2003.

SEC. 102. REDUCTION IN MARRIAGE PENALTY IN CHILD TAX CREDIT.

(a) IN GENERAL.—Section 24(b)(2) of the Internal Revenue Code of 1986 (defining threshold amount) is amended—

(1) by inserting ''($115,000 for taxable years beginning in 2008 or 2009, and $150,000 for taxable years beginning in 2010)'' after ''$110,000'', and

(2) by striking ''$55,000'' in subparagraph (C) and inserting ''½ of the amount in effect under subparagraph (A)''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 103. APPLICATION OF EGTRRA SUNSET TO THIS SECTION.

Each amendment made by this title shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as the provision of such Act to which such amendment relates.

TITLE II—UNIFORM DEFINITION OF CHILD

SEC. 201. UNIFORM DEFINITION OF CHILD, ETC.

Section 152 of the Internal Revenue Code of 1986 is amended to read as follows:

''SEC. 152. DEPENDENT DEFINED.

''(a) IN GENERAL.—For purposes of this subtitle, the term 'dependent' means—

''(1) a qualifying child, or

''(2) a qualifying relative.

''(b) EXCEPTIONS.—For purposes of this section—

''(1) DEPENDENTS INELIGIBLE.—If an individual is a dependent of a taxpayer for any taxable year of such taxpayer beginning in a calendar year, such individual shall be treated as having no dependents for any taxable year of such individual beginning in such calendar year.

''(2) MARRIED DEPENDENTS.—An individual shall not be treated as a dependent of a taxpayer under subsection (a) if such individual has made a joint return with the individual's spouse under section 6013 for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

''(3) CITIZENS OR NATIONALS OF OTHER COUNTRIES.—

''(A) IN GENERAL.—The term 'dependent' does not include an individual who is not a citizen or national of the United States unless such individual is a resident of the United States or a country contiguous to the United States.

''(B) EXCEPTION FOR ADOPTED CHILD.—Subparagraph (A) shall not exclude any child of a taxpayer (within the meaning of subsection (f)(1)(B)) from the definition of 'dependent' if—

''(i) for the taxable year of the taxpayer, the child's principal place of abode is the home of the taxpayer, and

''(ii) the taxpayer is a citizen or national of the United States.

''(c) QUALIFYING CHILD.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying child' means, with respect to any taxpayer for any taxable year, an individual—

''(A) who bears a relationship to the taxpayer described in paragraph (2),

''(B) who has the same principal place of abode as the taxpayer for more than one-half of such taxable year,

''(C) who meets the age requirements of paragraph (3), and

''(D) who has not provided over one-half of such individual's own support for the calendar year in which the taxable year of the taxpayer begins.

''(2) RELATIONSHIP TEST.—For purposes of paragraph (1)(A), an individual bears a relationship to the taxpayer described in this paragraph if such individual is—

''(A) a child of the taxpayer or a descendant of such a child, or

''(B) a brother, sister, stepbrother, or stepsister of the taxpayer or a descendant of any such relative.

''(3) AGE REQUIREMENTS.—

''(A) IN GENERAL.—For purposes of paragraph (1)(C), an individual meets the requirements of this paragraph if such individual—

''(i) has not attained the age of 19 as of the close of the calendar year in which the taxable year of the taxpayer begins, or

''(ii) is a student who has not attained the age of 24 as of the close of such calendar year.

''(B) SPECIAL RULE FOR DISABLED.—In the case of an individual who is permanently and totally disabled (as defined in section 22(e)(3)) at any time during such calendar year, the requirements of subparagraph (A) shall be treated as met with respect to such individual.

''(4) SPECIAL RULE RELATING TO 2 OR MORE CLAIMING QUALIFYING CHILD.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) and subsection (e), if (but for this paragraph) an individual may be and is claimed as a qualifying child by 2 or more taxpayers for a taxable year beginning in the same calendar year, such individual shall be treated as the qualifying child of the taxpayer who is—

''(i) a parent of the individual, or

''(ii) if clause (i) does not apply, the taxpayer with the highest adjusted gross income for such taxable year.

''(B) MORE THAN 1 PARENT CLAIMING QUALIFYING CHILD.—If the parents claiming any qualifying child do not file a joint return together, such child shall be treated as the qualifying child of—

''(i) the parent with whom the child resided for the longest period of time during the taxable year, or

''(ii) if the child resides with both parents for the same amount of time during such taxable year, the parent with the highest adjusted gross income.

''(d) QUALIFYING RELATIVE.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualifying relative' means, with respect to any taxpayer for any taxable year, an individual—

''(A) who bears a relationship to the taxpayer described in paragraph (2),

''(B) whose gross income for the calendar year in which such taxable year begins is less than the exemption amount (as defined in section 151(d)),

''(C) with respect to whom the taxpayer provides over one-half of the individual's support for the calendar year in which such taxable year begins, and

''(D) who is not a qualifying child of such taxpayer or of any other taxpayer for any taxable year beginning in the calendar year in which such taxable year begins.

''(2) RELATIONSHIP.—For purposes of paragraph (1)(A), an individual bears a relationship to the taxpayer described in this paragraph if the individual is any of the following with respect to the taxpayer:

''(A) A child or a descendant of a child.

''(B) A brother, sister, stepbrother, or stepsister.

''(C) The father or mother, or an ancestor of either.

''(D) A stepfather or stepmother.

''(E) A son or daughter of a brother or sister of the taxpayer.

''(F) A brother or sister of the father or mother of the taxpayer.

''(G) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law.

''(H) An individual (other than an individual who at any time during the taxable year was the spouse, determined without regard to section 7703, of the taxpayer) who, for the taxable year of the taxpayer, has as such individual's principal place of abode the home of the taxpayer and is a member of the taxpayer's household.

''(3) SPECIAL RULE RELATING TO MULTIPLE SUPPORT AGREEMENTS.—For purposes of paragraph (1)(C), over one-half of the support of an individual for a calendar year shall be treated as received from the taxpayer if—

''(A) no one person contributed over one-half of such support,

''(B) over one-half of such support was received from 2 or more persons each of whom, but for the fact that any such person alone did not contribute over one-half of such support, would have been entitled to claim such individual as a dependent for a taxable year beginning in such calendar year,

''(C) the taxpayer contributed over 10 percent of such support, and

''(D) each person described in subparagraph (B) (other than the taxpayer) who contributed over 10 percent of such support files a written declaration (in such manner and form as the Secretary may by regulations prescribe) that such person will not claim such individual as a dependent for any taxable year beginning in such calendar year.

''(4) SPECIAL RULE RELATING TO INCOME OF HANDICAPPED DEPENDENTS.—

''(A) IN GENERAL.—For purposes of paragraph (1)(B), the gross income of an individual who is permanently and totally disabled (as defined in section 22(e)(3)) at any time during the taxable year shall not include income attributable to services performed by the individual at a sheltered workshop if—

''(i) the availability of medical care at such workshop is the principal reason for the individual's presence there, and

''(ii) the income arises solely from activities at such workshop which are incident to such medical care.

''(B) SHELTERED WORKSHOP DEFINED.—For purposes of subparagraph (A), the term 'sheltered workshop' means a school—

''(i) which provides special instruction or training designed to alleviate the disability of the individual, and

''(ii) which is operated by an organization described in section 501(c)(3) and exempt from tax under section 501(a), or by a State, a possession of the United States, any political subdivision of any of the foregoing, the United States, or the District of Columbia.

''(5) SPECIAL SUPPORT TEST IN CASE OF STUDENTS.—For purposes of paragraph (1)(C), in the case of an individual who is—

''(A) a child of the taxpayer, and

''(B) a student,

amounts received as scholarships for study at an educational organization described in section 170(b)(1)(A)(ii) shall not be taken into account in determining whether such individual received more than one-half of such individual's support from the taxpayer.

''(6) SPECIAL RULES FOR SUPPORT.—For purposes of this subsection—

''(A) payments to a spouse which are includible in the gross income of such spouse under section 71 or 682 shall not be treated as a payment by the payor spouse for the support of any dependent,

''(B) amounts expended for the support of a child or children shall be treated as received from the noncustodial parent (as defined in subsection (e)(3)(B)) to the extent that such parent provided amounts for such support, and

''(C) in the case of the remarriage of a parent, support of a child received from the parent's spouse shall be treated as received from the parent.

''(e) SPECIAL RULE FOR DIVORCED PARENTS.—

''(1) IN GENERAL.—Notwithstanding subsection (c)(4) or (d)(1)(C), if—

''(A) a child receives over one-half of the child's support during the calendar year from the child's parents—

''(i) who are divorced or legally separated under a decree of divorce or separate maintenance,

''(ii) who are separated under a written separation agreement, or

''(iii) who live apart at all times during the last 6 months of the calendar year, and

''(B) such child is in the custody of 1 or both of the child's parents for more than ½ of the calendar year,

such child shall be treated as being the qualifying child or qualifying relative of the noncustodial parent for a calendar year if the requirements described in paragraph (2) are met.

''(2) REQUIREMENTS.—For purposes of paragraph (1), the requirements described in this paragraph are met if—

''(A) a decree of divorce or separate maintenance or written separation agreement between the parents applicable to the taxable year beginning in such calendar year provides that—

''(i) the noncustodial parent shall be entitled to any deduction allowable under section 151 for such child, or

''(ii) the custodial parent will sign a written declaration (in such manner and form as the Secretary may prescribe) that such parent will not claim such child as a dependent for such taxable year, and

''(B) in the case of such an agreement executed before January 1, 1985, the noncustodial parent provides at least $600 for the support of such child during such calendar year.

''(3) CUSTODIAL PARENT AND NONCUSTODIAL PARENT.—For purposes of this subsection—

''(A) CUSTODIAL PARENT.—The term 'custodial parent' means the parent with whom a child shared the same principal place of abode for the greater portion of the calendar year.

''(B) NONCUSTODIAL PARENT.—The term 'noncustodial parent' means the parent who is not the custodial parent.

''(4) EXCEPTION FOR MULTIPLE-SUPPORT AGREEMENTS.—This subsection shall not apply in any case where over one-half of the support of the child is treated as having been received from a taxpayer under the provision of subsection (d)(3).

''(f) OTHER DEFINITIONS AND RULES.—For purposes of this section—

''(1) CHILD DEFINED.—

''(A) IN GENERAL.—The term 'child' means an individual who is—

''(i) a son, daughter, stepson, or stepdaughter of the taxpayer, or

''(ii) an eligible foster child of the taxpayer.

''(B) ADOPTED CHILD.—In determining whether any of the relationships specified in subparagraph (A)(i) or paragraph (4) exists, a legally adopted individual of the taxpayer, or an individual who is placed with the taxpayer by an authorized placement agency for adoption by the taxpayer, shall be treated as a child of such individual by blood.

''(C) ELIGIBLE FOSTER CHILD.—For purposes of subparagraph (A)(ii), the term 'eligible foster child' means an individual who is placed with the taxpayer by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

''(2) STUDENT DEFINED.—The term 'student' means an individual who during each of 5 calendar months during the calendar year in which the taxable year of the taxpayer begins—

''(A) is a full-time student at an educational organization described in section 170(b)(1)(A)(ii), or

''(B) is pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational organization described in section 170(b)(1)(A)(ii) or of a State or political subdivision of a State.

''(3) PLACE OF ABODE.—An individual shall not be treated as having the same principal place of abode of the taxpayer if at any time during the taxable year of the taxpayer the relationship between the individual and the taxpayer is in violation of local law.

''(4) BROTHER AND SISTER.—The terms 'brother' and 'sister' include a brother or sister by the half blood.

''(5) TREATMENT OF MISSING CHILDREN.—

''(A) IN GENERAL.—Solely for the purposes referred to in subparagraph (B), a child of the taxpayer—

''(i) who is presumed by law enforcement authorities to have been kidnapped by someone who is not a member of the family of such child or the taxpayer, and

''(ii) who had, for the taxable year in which the kidnapping occurred, the same principal place of abode as the taxpayer for more than one-half of the portion of such year before the date of the kidnapping,

shall be treated as meeting the requirement of subsection (c)(1)(B) with respect to a taxpayer for all taxable years ending during the period that the individual is kidnapped.

''(B) PURPOSES.—Subparagraph (A) shall apply solely for purposes of determining—

''(i) the deduction under section 151(c),

''(ii) the credit under section 24 (relating to child tax credit),

''(iii) whether an individual is a surviving spouse or a head of a household (as such terms are defined in section 2), and

''(iv) the earned income credit under section 32.

''(C) COMPARABLE TREATMENT OF CERTAIN QUALIFYING RELATIVES.—For purposes of this section, a child of the taxpayer—

''(i) who is presumed by law enforcement authorities to have been kidnapped by someone who is not a member of the family of such child or the taxpayer, and

''(ii) who was (without regard to this paragraph) a qualifying relative of the taxpayer for the portion of the taxable year before the date of the kidnapping,

shall be treated as a qualifying relative of the taxpayer for all taxable years ending during the period that the child is kidnapped.

''(D) TERMINATION OF TREATMENT.—Subparagraphs (A) and (C) shall cease to apply as of the first taxable year of the taxpayer beginning after the calendar year in which there is a determination that the child is dead (or, if earlier, in which the child would have attained age 18).

''(6) CROSS REFERENCES.—

''For provision treating child as dependent of both parents for purposes of certain provisions, see sections 105(b), 132(h)(2)(B), and 213(d)(5).''.

SEC. 202. MODIFICATIONS OF DEFINITION OF HEAD OF HOUSEHOLD.

(a) HEAD OF HOUSEHOLD.—Clause (i) of section 2(b)(1)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

''(i) a qualifying child of the individual (as defined in section 152(c), determined without regard to section 152(e)), but not if such child—

''(I) is married at the close of the taxpayer's taxable year, and

''(II) is not a dependent of such individual by reason of section 152(b)(2) or 152(b)3), or both, or''.

(b) CONFORMING AMENDMENTS.—

(1) Section 2(b)(2) of the Internal Revenue Code of 1986 is amended by striking subparagraph (A) and by redesignating subparagraphs (B), (C), and (D) as subparagraphs (A), (B), and (C), respectively.

(2) Clauses (i) and (ii) of section 2(b)(3)(B) of such Code are amended to read as follows:

''(i) subparagraph (H) of section 152(d)(2), or

''(ii) paragraph (3) of section 152(d).''.

SEC. 203. MODIFICATIONS OF DEPENDENT CARE CREDIT.

(a) IN GENERAL.—Section 21(a)(1) of the Internal Revenue Code of 1986 is amended by striking ''In the case of an individual who maintains a household which includes as a member one or more qualifying individuals (as defined in subsection (b)(1))'' and inserting ''In the case of an individual for which there are 1 or more qualifying individuals (as defined in subsection (b)(1)) with respect to such individual''.

(b) QUALIFYING INDIVIDUAL.—Paragraph (1) of section 21(b) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) QUALIFYING INDIVIDUAL.—The term 'qualifying individual' means—

''(A) a dependent of the taxpayer (as defined in section 152(a)(1)) who has not attained age 13,

''(B) a dependent of the taxpayer who is physically or mentally incapable of caring for himself or herself and who has the same principal place of abode as the taxpayer for more than one-half of such taxable year, or

''(C) the spouse of the taxpayer, if the spouse is physically or mentally incapable of caring for himself or herself and who has the same principal place of abode as the taxpayer for more than one-half of such taxable year.''.

(c) CONFORMING AMENDMENT.—Paragraph (1) of section 21(e) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) PLACE OF ABODE.—An individual shall not be treated as having the same principal place of abode of the taxpayer if at any time during the taxable year of the taxpayer the relationship between the individual and the taxpayer is in violation of local law.''.

SEC. 204. MODIFICATIONS OF CHILD TAX CREDIT.

(a) IN GENERAL.—Paragraph (1) of section 24(c) of the Internal Revenue Code of 1986 is amended to read as follows:

''(1) IN GENERAL.—The term 'qualifying child' means a qualifying child of the taxpayer (as defined in section 152(c)) who has not attained age 17.''.

(b) CONFORMING AMENDMENT.—Section 24(c)(2) of the Internal Revenue Code of 1986 is amended by striking ''the first sentence of section 152(b)(3)'' and inserting ''subparagraph (A) of section 152(b)(3)''.

SEC. 205. MODIFICATIONS OF EARNED INCOME CREDIT.

(a) QUALIFYING CHILD.—Paragraph (3) of section 32(c) of the Internal Revenue Code of 1986 is amended to read as follows:

''(3) QUALIFYING CHILD.—

''(A) IN GENERAL.—The term 'qualifying child' means a qualifying child of the taxpayer (as defined in section 152(c), determined without regard to paragraph (1)(D) thereof and section 152(e)).

''(B) MARRIED INDIVIDUAL.—The term 'qualifying child' shall not include an individual who is married as of the close of the taxpayer's taxable year unless the taxpayer is entitled to a deduction under section 151 for such taxable year with respect to such individual (or would be so entitled but for section 152(e)).

''(C) PLACE OF ABODE.—For purposes of subparagraph (A), the requirements of section 152(c)(1)(B) shall be met only if the principal place of abode is in the United States.

''(D) IDENTIFICATION REQUIREMENTS.—

''(i) IN GENERAL.—A qualifying child shall not be taken into account under subsection (b) unless the taxpayer includes the name, age, and TIN of the qualifying child on the return of tax for the taxable year.

''(ii) OTHER METHODS.—The Secretary may prescribe other methods for providing the information described in clause (i).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 32(c)(1) of the Internal Revenue Code of 1986 is amended by striking subparagraph (C) and by redesignating subparagraphs (D), (E), (F), and (G) as subparagraphs (C), (D), (E), and (F), respectively.

(2) Section 32(c)(4) of such Code is amended by striking ''(3)(E)'' and inserting ''(3)(C)''.

(3) Section 32(m) of such Code is amended by striking ''subsections (c)(1)(F)'' and inserting ''subsections (c)(1)(E)''.

SEC. 206. MODIFICATIONS OF DEDUCTION FOR PERSONAL EXEMPTION FOR DEPENDENTS.

Subsection (c) of section 151 of the Internal Revenue Code of 1986 is amended to read as follows:

''(c) ADDITIONAL EXEMPTION FOR DEPENDENTS.—An exemption of the exemption amount for each individual who is a dependent (as defined in section 152) of the taxpayer for the taxable year.''.

SEC. 207. TECHNICAL AND CONFORMING AMENDMENTS.

(1) Section 2(a)(1)(B)(i) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(2) Section 21(e)(5) of the Internal Revenue Code of 1986 is amended—

(A) by striking ''paragraph (2) or (4) of'' in subparagraph (A), and

(B) by striking ''within the meaning of section 152(e)(1)'' and inserting ''as defined in section 152(e)(3)(A)''.

(3) Section 21(e)(6)(B) of such Code is amended by striking ''section 151(c)(3)'' and inserting ''section 152(f)(1)''.

(4) Section 25B(c)(2)(B) of such Code is amended by striking ''151(c)(4)'' and inserting ''152(f)(2)''.

(5)(A) Subparagraphs (A) and (B) of section 51(i)(1) of such Code are each amended by striking ''paragraphs (1) through (8) of section 152(a)'' both places it appears and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(B) Section 51(i)(1)(C) of such Code is amended by striking ''152(a)(9)'' and inserting ''152(d)(2)(H)''.

(6) Section 72(t)(2)(D)(i)(III) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(7) Section 72(t)(7)(A)(iii) of such Code is amended by striking ''151(c)(3)'' and inserting ''152(f)(1)''.

(8) Section 42(i)(3)(D)(ii)(I) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(9) Subsections (b) and (c)(1) of section 105 of such Code are amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(10) Section 120(d)(4) of such Code is amended by inserting ''(determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof)'' after ''section 152''.

(11) Section 125(e)(1)(D) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(12) Section 129(c)(2) of such Code is amended by striking ''151(c)(3)'' and inserting ''152(f)(1)''.

(13) The first sentence of section 132(h)(2)(B) of such Code is amended by striking ''151(c)(3)'' and inserting ''152(f)(1)''.

(14) Section 153 of such Code is amended by striking paragraph (1) and by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(15) Section 170(g)(1) of such Code is amended by inserting ''(determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof)'' after ''section 152''.

(16) Section 170(g)(3) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(17) Section 213(a) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(18) The second sentence of section 213(d)(11) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(19) Section 220(d)(2)(A) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(20) Section 221(d)(4) of such Code is amended by inserting ''(determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof)'' after ''section 152''.

(21) Section 529(e)(2)(B) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(22) Section 2032A(c)(7)(D) of such Code is amended by striking ''section 151(c)(4)'' and inserting ''section 152(f)(2)''.

(23) Section 2057(d)(2)(B) of such Code is amended by inserting '', determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof'' after ''section 152''.

(24) Section 7701(a)(17) of such Code is amended by striking ''152(b)(4), 682,'' and inserting ''682''.

(25) Section 7702B(f)(2)(C)(iii) of such Code is amended by striking ''paragraphs (1) through (8) of section 152(a)'' and inserting ''subparagraphs (A) through (G) of section 152(d)(2)''.

(26) Section 7703(b)(1) of such Code is amended—

(A) by striking ''151(c)(3)'' and inserting ''152(f)(1)'', and

(B) by striking ''paragraph (2) or (4) of''.

SEC. 208. EFFECTIVE DATE.

The amendments made by this title shall apply to taxable years beginning after December 31, 2003.

TITLE III—CUSTOMS USER FEES

SEC. 301. EXTENSION OF CUSTOMS USER FEES.

Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended by striking ''September 30, 2003'' and inserting ''March 31, 2010''.

Amend the title so as to read: ''An Act to amend the Internal Revenue Code of 1986 to accelerate the increase in the refundability of the child tax credit, and for other purposes.''.

The text of the House amendment to the Senate amendments is as follows:

House amendment to Senate amendments:

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

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''All-American Tax Relief Act of 2003''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title, etc.

TITLE I—CHILD TAX CREDIT

Sec. 101. Expansion of child tax credit.

TITLE II—ARMED FORCES TAX FAIRNESS

Sec. 201. Special rule for members of uniformed services and Foreign Service in determining exclusion of gain from sale of principal residence.

Sec. 202. Restoration of full exclusion from gross income of death gratuity payment.

Sec. 203. Exclusion for amounts received under Department of Defense homeowners assistance program.

Sec. 204. Expansion of combat zone filing rules to contingency operations.

Sec. 205. Modification of membership requirement for exemption from tax for certain veterans' organizations.

Sec. 206. Clarification of the treatment of certain dependent care assistance programs.

Sec. 207. Clarification relating to exception from additional tax on certain distributions from qualified tuition programs, etc., on account of attendance at military academy.

Sec. 208. Above-the-line deduction for overnight travel expenses of National Guard and Reserve members.

TITLE III—SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS

Sec. 301. Suspension of tax-exempt status of terrorist organizations.

TITLE IV—RELIEF FOR ASTRONAUTS

Sec. 401. Tax relief and assistance for families of astronauts who lose their lives on a space mission.

TITLE I—CHILD TAX CREDIT

SEC. 101. EXPANSION OF CHILD TAX CREDIT.

(a) CREDIT REFUNDABILITY.—Clause (i) of section 24(d)(1)(B) (relating to portion of credit refundable) is amended by striking ''(10 percent in the case of taxable years beginning before January 1, 2005)''.

(b) INCREASE IN CREDIT THROUGH 2010.—Subsection (a) of section 24 (relating to child tax credit) is amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year with respect to each qualifying child of the taxpayer an amount equal to $1,000.''.

(c) REMOVAL OF MARRIAGE PENALTY IN PHASEOUT THRESHOLDS.—Paragraph (2) of section 24(b) is amended to read as follows:

''(2) THRESHOLD AMOUNT.—For purposes of paragraph (1), the term 'threshold amount' means $75,000 ($150,000 in the case of a joint return).''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

(e) APPLICATION OF EGTRRA SUNSET.—Each amendment made by this section shall be subject to title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 to the same extent and in the same manner as section 201 of such Act.

TITLE II—ARMED FORCES TAX FAIRNESS

SEC. 201. SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE IN DETERMINING EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Subsection (d) of section 121 (relating to exclusion of gain from sale of principal residence) is amended by adding at the end the following new paragraph:

''(10) MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE.—

''(A) IN GENERAL.—At the election of an individual with respect to a property, the running of the 5-year period referred to in subsections (a) and (c)(1)(B) and paragraph (7) of this subsection with respect to such property shall be suspended during any period that such individual or such individual's spouse is serving on qualified official extended duty as a member of the uniformed services or as a member of the Foreign Service.

''(B) MAXIMUM PERIOD OF SUSPENSION.—Such 5-year period shall not be extended more than 5 years by reason of subparagraph (A).

''(C) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'qualified official extended duty' means any extended duty while serving at a duty station which is at least 150 miles from such property or while residing under Government orders in Government quarters.

''(ii) UNIFORMED SERVICES.—The term 'uniformed services' has the meaning given such term by section 101(a)(5) of title 10, United States Code, as in effect on the date of the enactment of this paragraph.

''(iii) FOREIGN SERVICE.—The term 'member of the Foreign Service' has the meaning given the term 'member of the Service' by paragraph (1), (2), (3), (4), or (5) of section 103 of the Foreign Service Act of 1980, as in effect on the date of the enactment of this paragraph.

''(iv) EXTENDED DUTY.—The term 'extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 180 days or for an indefinite period.

''(D) SPECIAL RULES RELATING TO ELECTION.—

''(i) ELECTION LIMITED TO 1 PROPERTY AT A TIME.—An election under subparagraph (A) with respect to any property may not be made if such an election is in effect with respect to any other property.

''(ii) REVOCATION OF ELECTION.—An election under subparagraph (A) may be revoked at any time.''.

(b) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made by section 312 of the Taxpayer Relief Act of 1997.

(2) WAIVER OF LIMITATIONS.—If refund or credit of any overpayment of tax resulting from the amendment made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SEC. 202. RESTORATION OF FULL EXCLUSION FROM GROSS INCOME OF DEATH GRATUITY PAYMENT.

(a) IN GENERAL.—Paragraph (3) of section 134(b) (relating to qualified military benefit) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR DEATH GRATUITY ADJUSTMENTS MADE BY LAW.—Subparagraph (A) shall not apply to any adjustment to the amount of death gratuity payable under chapter 75 of title 10, United States Code,

which is pursuant to a provision of law enacted before December 31, 1991.''.

(b) CONFORMING AMENDMENT.—Section 134(b)(3)(A) is amended by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (C)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to deaths occurring after September 10, 2001.

SEC. 203. EXCLUSION FOR AMOUNTS RECEIVED UNDER DEPARTMENT OF DEFENSE HOMEOWNERS ASSISTANCE PROGRAM.

(a) IN GENERAL.—Subsection (a) of section 132 (relating to certain fringe benefits) is amended by striking ''or'' at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting '', or'' and by adding at the end the following new paragraph:

''(8) qualified military base realignment and closure fringe.''.

(b) QUALIFIED MILITARY BASE REALIGNMENT AND CLOSURE FRINGE.—Section 132 is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

''(n) QUALIFIED MILITARY BASE REALIGNMENT AND CLOSURE FRINGE.—

''(1) IN GENERAL.—For purposes of this section, the term 'qualified military base realignment and closure fringe' means 1 or more payments under the authority of section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) (as in effect on the date of the enactment of this subsection).

''(2) LIMITATION.—With respect to any property, such term shall not include any payment referred to in paragraph (1) to the extent that the sum of all such payments related to such property exceeds the amount described in clause (1) of subsection (c) of such section (as in effect on such date).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made after the date of the enactment of this Act.

SEC. 204. EXPANSION OF COMBAT ZONE FILING RULES TO CONTINGENCY OPERATIONS.

(a) IN GENERAL.—Subsection (a) of section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone) is amended—

(1) by inserting ''or when deployed outside the United States away from the individual's permanent duty station while participating in an operation designated by the Secretary of Defense as a contingency operation (as defined in section 101(a)(13) of title 10, United States Code) or which became such a contingency operation by operation of law'' after ''section 112'',

(2) by inserting in the first sentence ''or at any time during the period of such contingency operation'' after ''for purposes of such section'',

(3) by inserting ''or operation'' after ''such an area'', and

(4) by inserting ''or operation'' after ''such area''.

(b) CONFORMING AMENDMENTS.—

(1) Section 7508(d) is amended by inserting ''or contingency operation'' after ''area''.

(2) The heading for section 7508 is amended by inserting ''OR CONTINGENCY OPERATION'' after ''COMBAT ZONE''.

(3) The item relating to section 7508 in the table of sections for chapter 77 is amended by inserting ''or contingency operation'' after ''combat zone''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any period for performing an act which has not expired before the date of the enactment of this Act.

SEC. 205. MODIFICATION OF MEMBERSHIP REQUIREMENT FOR EXEMPTION FROM TAX FOR CERTAIN VETERANS' ORGANIZATIONS.

(a) IN GENERAL.—Subparagraph (B) of section 501(c)(19) (relating to list of exempt organizations) is amended by striking ''or widowers'' and inserting '', widowers, ancestors, or lineal descendants''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 206. CLARIFICATION OF THE TREATMENT OF CERTAIN DEPENDENT CARE ASSISTANCE PROGRAMS.

(a) IN GENERAL.—Subsection (b) of section 134 (defining qualified military benefit) is amended by adding at the end the following new paragraph:

''(4) CLARIFICATION OF CERTAIN BENEFITS.—For purposes of paragraph (1), such term includes any dependent care assistance program (as in effect on the date of the enactment of this paragraph) for any individual described in paragraph (1)(A).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 134(b)(3)(A) (as amended by section 202) is further amended by inserting ''and paragraph (4)'' after ''subparagraphs (B) and (C)''.

(2) Section 3121(a)(18) is amended by striking ''or 129'' and inserting '', 129, or 134(b)(4)''.

(3) Section 3306(b)(13) is amended by striking ''or 129'' and inserting '', 129, or 134(b)(4)''.

(4) Section 3401(a)(18) is amended by striking ''or 129'' and inserting '', 129, or 134(b)(4)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2002.

SEC. 207. CLARIFICATION RELATING TO EXCEPTION FROM ADDITIONAL TAX ON CERTAIN DISTRIBUTIONS FROM QUALIFIED TUITION PROGRAMS, ETC., ON ACCOUNT OF ATTENDANCE AT MILITARY ACADEMY.

(a) IN GENERAL.—Subparagraph (B) of section 530(d)(4) (relating to exceptions from additional tax for distributions not used for educational purposes) is amended by striking ''or'' at the end of clause (iii), by redesignating clause (iv) as clause (v), and by inserting after clause (iii) the following new clause:

''(iv) made on account of the attendance of the designated beneficiary at the United States Military Academy, the United States Naval Academy, the United States Air Force Academy, the United States Coast Guard Academy, or the United States Merchant Marine Academy, to the extent that the amount of the payment or distribution does not exceed the costs of advanced education (as defined by section 2005(e)(3) of title 10, United States Code, as in effect on the date of the enactment of this section) attributable to such attendance, or''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect for taxable years beginning after December 31, 2002.

SEC. 208. ABOVE-THE-LINE DEDUCTION FOR OVERNIGHT TRAVEL EXPENSES OF NATIONAL GUARD AND RESERVE MEMBERS.

(a) DEDUCTION ALLOWED.—Section 162 (relating to certain trade or business expenses) is amended by redesignating subsection (p) as subsection (q) and inserting after subsection (o) the following new subsection:

''(p) TREATMENT OF EXPENSES OF MEMBERS OF RESERVE COMPONENT OF ARMED FORCES OF THE UNITED STATES.—For purposes of subsection (a)(2), in the case of an individual who performs services as a member of a reserve component of the Armed Forces of the United States at any time during the taxable year, such individual shall be deemed to be away from home in the pursuit of a trade or business for any period during which such individual is away from home in connection with such services.''.

(b) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ELECTS TO ITEMIZE.—Paragraph (2) of section 62(a) (relating to certain trade and business deductions of employees) is amended by adding at the end the following new subparagraph:

''(E) CERTAIN EXPENSES OF MEMBERS OF RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—The deductions allowed by section 162 which consist of expenses, not in excess of $1,500, paid or incurred by the taxpayer in connection with the performance of services by such taxpayer as a member of a reserve component of the Armed Forces of the United States for any period during which such individual is more than 100 miles away from home in connection with such services.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2002.

TITLE III—SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS

SEC. 301. SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS.

(a) IN GENERAL.—Section 501 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) SUSPENSION OF TAX-EXEMPT STATUS OF TERRORIST ORGANIZATIONS.—

''(1) IN GENERAL.—The exemption from tax under subsection (a) with respect to any organization described in paragraph (2), and the eligibility of any organization described in paragraph (2) to apply for recognition of exemption under subsection (a), shall be suspended during the period described in paragraph (3).

''(2) TERRORIST ORGANIZATIONS.—An organization is described in this paragraph if such organization is designated or otherwise individually identified—

''(A) under section 212(a)(3)(B)(vi)(II) or 219 of the Immigration and Nationality Act as a terrorist organization or foreign terrorist organization,

''(B) in or pursuant to an Executive order which is related to terrorism and issued under the authority of the International Emergency Economic Powers Act or section 5 of the United Nations Participation Act of 1945 for the purpose of imposing on such organization an economic or other sanction, or

''(C) in or pursuant to an Executive order issued under the authority of any Federal law if—

''(i) the organization is designated or otherwise individually identified in or pursuant to such Executive order as supporting or engaging in terrorist activity (as defined in section 212(a)(3)(B) of the Immigration and Nationality Act) or supporting terrorism (as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989); and

''(ii) such Executive order refers to this subsection.

''(3) PERIOD OF SUSPENSION.—With respect to any organization described in paragraph (2), the period of suspension—

''(A) begins on the later of—

''(i) the date of the first publication of a designation or identification described in paragraph (2) with respect to such organization, or

''(ii) the date of the enactment of this subsection, and

''(B) ends on the first date that all designations and identifications described in paragraph (2) with respect to such organization are rescinded pursuant to the law or Executive order under which such designation or identification was made.

''(4) DENIAL OF DEDUCTION.—No deduction shall be allowed under section 170, 545(b)(2), 556(b)(2), 642(c), 2055, 2106(a)(2), or 2522 for any contribution to an organization described in paragraph (2) during the period described in paragraph (3).

''(5) DENIAL OF ADMINISTRATIVE OR JUDICIAL CHALLENGE OF SUSPENSION OR DENIAL OF DEDUCTION.—Notwithstanding section 7428 or any other provision of law, no organization or other person may challenge a suspension under paragraph (1), a designation or identification described in paragraph (2), the period of suspension described in paragraph (3), or a denial of a deduction under paragraph (4) in any administrative or judicial proceeding relating to the Federal tax liability of such organization or other person.

''(6) ERRONEOUS DESIGNATION.—

''(A) IN GENERAL.—If—

''(i) the tax exemption of any organization described in paragraph (2) is suspended under paragraph (1),

''(ii) each designation and identification described in paragraph (2) which has been made with respect to such organization is determined to be erroneous pursuant to the law or Executive order under which such designation or identification was made, and

''(iii) the erroneous designations and identifications result in an overpayment of income tax for any taxable year by such organization,

credit or refund (with interest) with respect to such overpayment shall be made.

''(B) WAIVER OF LIMITATIONS.—If the credit or refund of any overpayment of tax described in subparagraph (A)(iii) is prevented at any time by the operation of any law or rule of law (including res judicata), such credit or refund may nevertheless be allowed or made if the claim therefor is filed before the close of the 1-year period beginning on the date of the last determination described in subparagraph (A)(ii).

''(7) NOTICE OF SUSPENSIONS.—If the tax exemption of any organization is suspended under this subsection, the Internal Revenue Service shall update the listings of tax-exempt organizations and shall publish appropriate notice to taxpayers of such suspension and of the fact that contributions to such organization are not deductible during the period of such suspension.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to designations made before, on, or after the date of the enactment of this Act.

TITLE IV—RELIEF FOR ASTRON÷AUTS

SEC. 401. TAX RELIEF AND ASSISTANCE FOR FAMILIES OF ASTRONAUTS WHO LOSE THEIR LIVES ON A SPACE MISSION.

(a) INCOME TAX RELIEF.—

(1) IN GENERAL.—Subsection (d) of section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death) is amended by adding at the end the following new paragraph:

''(5) RELIEF WITH RESPECT TO ASTRONAUTS.—The provisions of this subsection shall apply to any astronaut whose death occurs while on a space mission, except that paragraph (3)(B) shall be applied by using the date of the death of the astronaut rather than September 11, 2001.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 5(b)(1) is amended by inserting '', astronauts,'' after ''Forces''.

(B) Section 6013(f)(2)(B) is amended by inserting '', astronauts,'' after ''Forces''.

(3) CLERICAL AMENDMENTS.—

(A) The heading of section 692 is amended by inserting '', ASTRONAUTS,'' after ''FORCES''.

(B) The item relating to section 692 in the table of sections for part II of subchapter J of chapter 1 is amended by inserting '', astronauts,'' after ''Forces''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to any astronaut whose death occurs after December 31, 2002.

(b) DEATH BENEFIT RELIEF.—

(1) IN GENERAL.—Subsection (i) of section 101 (relating to certain death benefits) is amended by adding at the end the following new paragraph:

''(4) RELIEF WITH RESPECT TO ASTRONAUTS.—The provisions of this subsection shall apply to any astronaut whose death occurs while on a space mission.''.

(2) CLERICAL AMENDMENT.—The heading for subsection (i) of section 101 is amended by inserting ''OR ASTRONAUTS'' after ''VICTIMS''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid after December 31, 2002, with respect to deaths occurring after such date.

(c) ESTATE TAX RELIEF.—

(1) IN GENERAL.—Subsection (b) of section 2201 (defining qualified decedent) is amended by striking ''and'' at the end of paragraph (1)(B), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) any astronaut whose death occurs while on a space mission.''.

(2) CLERICAL AMENDMENTS.—

(A) The heading of section 2201 is amended by inserting '', DEATHS OF ASTRONAUTS,'' after ''FORCES''.

(B) The item relating to section 2201 in the table of sections for subchapter C of chapter 11 is amended by inserting '', deaths of astronauts,'' after ''Forces''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to estates of decedents dying after December 31, 2002.

In lieu of the matter inserted by the Senate to the long title of the bill, insert the following: ''An Act to amend the Internal Revenue Code of 1986 to enhance fairness in the internal revenue laws, and for other purposes.''.

□ 1730

APPOINTMENT OF CONFEREES

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 270, I move to take from the Speaker's table the House amendment to the Senate amendment to the bill (H.R. 1308) to amend the Internal Revenue Code of 1986 to end certain abusive tax practices, to provide tax relief and simplification, and for other purposes, insist on the House amendment, and request a conference with the Senate thereon.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. SWEENEY). Without objection, the motion is agreed to.

Mr. RANGEL. Mr. Speaker, reserving the right to object, it is my understanding that the chairman of the Committee on Ways and Means has the opportunity to be recognized for 1 hour debate, and I want to know whether that was included in his request, which I understand from the Parliamentarian the gentleman is entitled to, to discuss this issue.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from California.

Mr. THOMAS. Mr. Speaker, I have requested the hour.

Mr. RANGEL. Mr. Speaker, I remove my reservation of objection.

The SPEAKER pro tempore. The gentleman from California (Mr. THOMAS) is recognized for 1 hour.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the 1 hour time I have, I would indicate to my colleagues that based upon the very lively debate that occurred on the rule, I believe the positions have been completely illuminated, and that when I ask for the previous question, the minority has the right to move the motion to instruct.

Having been given the motion to instruct, I would tell my friends that I can live up to almost all of these provisions and intend to do so, and, therefore, any time that this House takes in debating the motion to instruct will be the time that the minority has on the motion to instruct, because the majority intends to move the previous question and indicates that it does not intend to use any of the time on the motion to instruct, and, therefore, the time at which the House adjourns today will be entirely in the hands of the minority.

Mr. Speaker, I move the previous question.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANGEL. Mr. Speaker, could the Parliamentarian or the Speaker tell me, does the eloquent statement made by the chairman of the Committee on Ways and Means mean that he did not intend to use the hour of debate that he has?

The SPEAKER pro tempore. The gentleman from California has moved the previous question.

Is there objection to ordering the previous question?

Mr. RANGEL. No, I made a parliamentary inquiry. I was not objecting to the previous question. I asked whether or not what the gentleman said meant that he did not intend to debate.

The SPEAKER pro tempore. If the House orders the previous question by unanimous consent, that will end debate.

Without objection, the previous question is ordered on the motion to go to conference.

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. THOMAS).

The motion was agreed to.

MOTION TO INSTRUCT OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. RANGEL moves that the managers on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

1. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides immediate payments to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payments under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

2. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.

3. The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that includes additional tax benefits not offset by other provisions.

4. To the maximum extent possible within the scope of conference, the House conferences shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the *Columbia* disaster.

Mr. RANGEL (during the reading). Mr. Speaker, I ask unanimous consent that the motion to instruct be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Pursuant to rule XXII, the gentleman from New York (Mr. RANGEL) and the gentleman from California (Mr. THOMAS) each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I move that the managers on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

One, the House conferees shall be instructed to include in the conference report the provision of the Senate amendment that is not included in the House amendment that provides immediate payment to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payment under the Jobs and Growth Tax Reconciliation Act of 2003.

Two, the House conferees be instructed to include in the conference report the provision of the Senate amendment, that is not included in the House amendment, that provides families of the military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.

Three, the House conferees be instructed to include in the conference report all of the other provisions of the Senate amendment and shall report back a conference report that includes additional tax benefits not offset by other provisions.

Four, to the maximum extent possible within the scope of the conference, the House conferees shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the *Columbia* disaster.

Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN), a distinguished member of the Committee on Ways and Means.

Mr. CARDIN. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, working families that make between $10,000 and $26,000 a year were left out of the tax bill that was recently signed by the President. These are people who pay taxes, Mr. Speaker. They pay sales taxes, they pay property taxes, they pay excise taxes, they pay FICA taxes. In fact, many of them pay a greater percentage of their income in taxes than the wealthy people who got the benefits of the recently enacted tax bill.

To correct this oversight, it will cost a modest amount of money, about 1 percent of what it cost in the recent tax bill. We have a Senate bill that corrects this. It is fully paid for. It passed the other body by a vote of 94-to-2. It is supported by the President of the United States. Why are we not taking this bill up? But for the leadership in this House, the Republican leadership, we could have passed this bill tonight.

What this motion says, Mr. Speaker, is that we support the effort of the other body so that we could correct this bill now. This is a vote to help those working families. This is a vote to help the military families. This is a vote to say that we do not want to follow what the Republican leader has said, which is ''This ain't going to happen.'' We want it to happen, and our motion allows it to happen.

I urge my fellow Members to support the effort in the other body, support the President in saying that he would sign this legislation. This is our opportunity to do it.

Mr. Speaker, I just urge my colleagues not to hold low-wage worker families hostage to the notion that we have to do a lot more that is not going to happen in order for them to get the same type of tax relief that was provided to high-income families in the bill that was signed by the President.

This is the right thing for us to do. I urge my colleagues to support the motion to instruct.

PARLIAMENTARY INQUIRY

Mr. THOMAS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. THOMAS. Mr. Speaker, notwithstanding the language of the motion to instruct, which says ''I move that,'' and three of the four provisions that say ''The House conferees shall be instructed to,'' is the gentleman from California correct in understanding that the motion to instruct does not in any way bind or dictate to the conferees?

The SPEAKER pro tempore. Motions to instruct are not necessarily binding on the conferees.

Mr. THOMAS. Mr. Speaker, if in fact the motion to instruct is not binding, I would tell my friends we are ready to accept this motion. I will reserve my time, and whenever you are ready to move the question for a vote, since it is not binding, we are ready to go.

Mr. FRANK of Massachusetts. Mr. Speaker, point of order. This is not a parliamentary inquiry.

Mr. THOMAS. Mr. Speaker, I am on my time. Does the gentleman from Massachusetts now wish to deny me the time that is mine?

The SPEAKER pro tempore. The gentleman will suspend.

Does the gentleman from California (Mr. THOMAS) yield himself time?

Mr. THOMAS. I certainly do.

The SPEAKER pro tempore. The gentleman from California is recognized.

Mr. THOMAS. As I was saying, since this motion to instruct is not in any way binding on the conferees, the gentleman from California awaits the awarding of the motion to instruct, and it can either be now and we can vote on it, or you can exhaust your time and we can vote on it. The effect is the same.

Therefore, I reserve the balance of my time until they exhaust theirs or move for a vote.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I apologize to the gentleman from California. I know he is very thick-skinned, so he did not mind. But he had been speaking under the guise of a parliamentary inquiry, and he was not making a parliamentary inquiry, although the parliamentary inquiry made was about a rule which has been in effect ever since he got here, and I was surprised he had forgotten it. But he did not say he was going to use his time. I did want to clarify. Apparently he decided to use his time, but he decided to use his time to tell us he did not plan to use his time.

I think it is somewhat unfortunate that, having shut off debate, having refused to an allow an amendment, he is suggesting that it is somehow improper for Members on our side to talk about the substance. He has said that he will accept the instruction, having made it clear with his usual consideration for other opinions that having accepted it in the vote, he plans to disregard it in the conference.

So we continue to think it is important to point out the difference between what we want to do, provide real help to poor children, and what he plans to do.

□ 1745

Mr. RANGEL. Mr. Speaker, in the interests of saving time, I ask unanimous consent that H.R. 1308 and H.R. 1307, both passed by the Senate, be considered and accepted by the House, and that way we can send the bill immediately to the President and we can get out of here early, without amendment, of course.

The SPEAKER pro tempore (Mr. SWEENEY). The Chair is unable to entertain that request under the Speaker's guidelines recorded on page 712 of the House Rules and Manual.

Mr. RANGEL. I am sorry. I cannot hear what the Speaker is saying.

The SPEAKER pro tempore. The Speaker's guidelines for recognition do not allow the Chair to recognize for that request.

Mr. RANGEL. Not for unanimous consent, without objection from the chairman of the distinguished Committee on Ways and Means? He does not object.

The SPEAKER pro tempore. The gentleman is correct.

Mr. RANGEL. I am correct? I can do it? What is it?

The SPEAKER pro tempore. The gentleman is correct that the Chair is unable to entertain that request.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANGEL. Mr. Speaker, if I ask for unanimous consent and no one objects, would the Parliamentarian tell me why I cannot be recognized?

The SPEAKER pro tempore. The Speaker has announced and enforced a policy of conferring recognition for unanimous consent requests for consideration of bills and resolutions only when assured that the majority and minority floor and committee leaderships have no objection.

Mr. RANGEL. Mr. Speaker, if the gentleman from California (Mr. THOMAS) does not say anything, Mr. Speaker, then there is no objection. So, I have unanimous consent until such time as he objects.

The SPEAKER pro tempore. The Chair has not been apprised of the requisite clearances to entertain such a request.

Mr. RANGEL. Well, could I ask unanimous consent that the chairman of the Committee on Ways and Means be given an opportunity to instruct the Speaker that he has no objection to accepting the Senate bill as passed?

The SPEAKER pro tempore. The Chair would inform the gentleman that that is not a proper unanimous consent request.

Mr. RANGEL. Well, the chairman of the Committee on Ways and Means knows that we will not allow parliamentary obstacles to move this bill that the Senate has passed in a bipartisan way and that the President has supported it. Now, I know a lot of time and money has gone into building up this $82 billion, but since the distinguished chairman has said that he wants to move this bill swiftly and the initial bill only cost $3.5 billion, if we knock off the $72 billion put on the Senate bill, it would seem to me, even with a little help from the Parliamentarian, that we could expedite this bill by not instructing the conferees to do anything which the chairman already has indicated he does not intend to do but, rather, to just have it pass as is. I do not know why we cannot do this. But I will get the Parliamentarian and get together with the chairman and see what we can do to expedite this.

Meanwhile, Mr. Speaker, I yield 2 minutes to the gentleman from the sovereign State of California (Mr. MATSUI), the distinguished senior member of the Committee on Ways and Means.

Mr. MATSUI. Mr. Speaker, I thank the gentleman from New York, the ranking Democrat on the Committee on Ways and Means, for yielding me this time.

I can understand why the majority does not want to debate this issue. Perhaps he wants to catch a plane to California, I do not know. But I can understand why he would not want to debate this issue, given the fact that the President of the United States and the U.S. Senate, on a 94 to 2 vote, basically came up with a bill that was totally different. It basically paid for its tax cuts and, at the same time, it tried to restrict itself basically to the main issue, that is, taking care of families that make between $10,000 and $26,000 a year.

I might just for a moment go back to May 23 when the conference report was passed. As my colleagues know, the big issue on that bill was the dividend reduction and the capital gains tax reduction. At the same time, as we know, that bill also took out from the other body the provision that would have taken care of people that made, families that made between $10,000 and $26,000 a year, a measly tax credit of $150 to $400.

At the same time, what this bill did, Mr. Speaker, it might be kind of interesting to really discuss why there is a lot of concern about this. We looked at the FCC filings of the annual report of Microsoft Corporation. Bill Gates, and this is not anything about Bill Gates, but Bill Gates will get, under the bill that passed, that became law on May 23, $14,538,000; $14 million. Sandy Weill, again, somebody who is a good person, Citicorp, will get $2.7 million.

What is very interesting, what is very interesting, Mr. Speaker, if we would have just taken that $14 million from Bill Gates and given it to families that earn between $10,000 and $26,000 a year, we could have taken care of 52,000 families.

So I can understand why the majority does not want to discuss this; I can understand why they do not want to see this have the light of day, because they are really taking care of people that do not need the money. This will not help the economy of the United States. It is basically just game-playing, and it is really unfortunate that this is happening. This bill will not become law because the other body will ensure it does not become law because it is not paid for. I would have hoped that we would have adopted the other body's legislation.

Mr. RANGEL. Mr. Speaker, the gentleman from California, nobody wants to dispute anything we say?

The SPEAKER pro tempore. The gentleman from California continues to reserve his time. The gentleman from New York is recognized.

Mr. RANGEL. Then Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN), a distinguished member of the Committee on Ways and Means.

Mr. LEVIN. Mr. Speaker, I want to refer to the motion. It says in paragraph 3, if the chairman, the distinguished chairman would listen, ''The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that would result in increased deficits by reason of additional tax benefits not offset by other provisions.''

We all know that motions to instruct are not technically binding, but I would like to yield to the chairman of the committee to ask him if he will commit verbally on the floor that he will not bring back a conference report that will result in increased deficits by reasons of additional tax benefits not offset by other provisions.

Mr. THOMAS. Mr. Speaker, I told the gentleman from the initial introduction, and I am pleased to respond on his time, that three of the four seem to be somewhat reasonable; and my assumption is that as we go to conference, since it is the Senate that has been significantly concerned about the question of offsets, under the budget which was agreed upon by the House and the Senate, there is ample provision for us to move tax bills that are not required to be offset.

Mr. LEVIN. So is the answer, if I could then ask the gentleman, since it is my time, is the gentleman willing to say here on the floor that he will not bring back a conference report that would result in increased deficits by reason of additional tax benefits not offset by other provisions?

Mr. THOMAS. Mr. Speaker, if the gentleman will yield, under the budget agreement, the House is entitled to move tax bills that are not offset or are required to modify the deficit. If the Senate brings, if the Senate brings offsets to the conference to cover the House bill, I am more than willing to look at them.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. LEVIN. He is unwilling to answer, then.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Well, just a minute. If the gentleman from Michigan (Mr. LEVIN) needs 30 seconds in order to get a response to his question, notwithstanding the fact that the majority is not using their time, I will be glad to do it.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) is recognized for 30 seconds.

Mr. LEVIN. Mr. Speaker, I will wait for the gentleman from California (Mr. THOMAS) to say yes or no.

Mr. THOMAS. The answer is, if the Senate brings offsets, I will be happy to look at them.

Mr. LEVIN. No, but does the gentleman agree that he will not report back a conference report that will result in increased deficits by reason of additional tax benefits not offset by other provisions? Yes or no.

Mr. THOMAS. Mr. Speaker, if the gentleman will yield, I asked of the Speaker a parliamentary inquiry which said this is not binding, yet the gentleman continues to pursue a yes or no as to whether or not an unbinding statement will bind me. The answer is, and it will be, if the Senate brings offsets, we will look at them.

Mr. LEVIN. Mr. Speaker, the gentleman is making a mockery out of this procedure.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA), a member of the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, for my colleagues and the American public that perhaps have not quite figured out what is going on here when we are trying to help working families through a child tax credit, H.R. 1308, I believe, boils down to two things, and probably the best way to describe it is to remind folks about the very common joke we hear about how many people does it take to screw in a light bulb, except in this case, we have to ask how many people and how much money does it take to correct the $3.5 billion omission for working families through a child tax credit. The punch line, as funny as it may sound, is $80 billion, is what we are being told by our colleagues and friends on the other side of the aisle that it takes to correct the $3.5 billion omission: $80 billion.

And if it is not a joke, then it is either a very smart, some might say sneaky, others might say sinister, ploy, to try to sneak in all of these other tax cuts for very wealthy American families into what is a good package for working families, and a lot of our men and women who work in uniform who were left out by this House in the tax cuts under the child tax credit.

It has got to be one of the two. Either it is a real joke on the American people, or it is a very cleverly planned, intentional way of sneaking through $76.5 billion of additional tax cuts that have nothing to do with the working families that we are trying to help.

Now, it would not be so sinister or such a joke if it were not for the fact that our Federal Government is running a $400 billion deficit this year; and next year, we are being told by the White House and by our own congressional budget estimators that we will probably have about a $500 billion deficit next year. And yet, somehow our colleagues on the other side of the aisle believe we can spend an additional $6.5 billion to correct the problem that costs $3.5 billion.

I think it is clear what is going on, and I would urge my colleagues to support this motion to instruct.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT), a member of the Committee on Ways and Means.

Mr. DOGGETT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, perhaps President Bush is wrong about this bill. Perhaps the 94 Members of the Senate who voted on this child tax credit measure are wrong, and perhaps all of the Democrats who have supported relief now, not some day, with reference to the child tax credit are also wrong, that all of us who together have supported meaningful relief that is paid for, that does not add a death tax to future generations of Americans, perhaps all of us are out of line and the gentleman from Texas (Mr. DELAY), standing there along with his minions who insist on having an approach that is different than that and killing this child tax credit, perhaps they are right.

But I rather expect they are not just right, but far right, extremists and outside of the mainstream of American thinking; that those who work very hard, be they police officers, be they teachers' aids, be they home health care workers, be they the people that empty the bedpans in the nursing homes and do the hard work in our society, that they deserve a chance too. I believe that it is today, with the obedience to the gentleman from Texas (Mr. DELAY) and his thinking out of the mainstream, that our Republican colleagues have sentenced this child tax credit to death, death by conference committee.

□ 1800

Many Members will remember that death by conference committee was the appropriate execution method used to kill the Patients' Bill of Rights, so people in this country still do not have the rights they need to protect themselves from the giant insurance HMOs that often deny them the health care they need.

Today, by sending this bill to conference, this is an attempt to kill a proposal that the gentleman from Texas (Mr. DELAY) never wanted this House to consider, and today again rejects.

It means for people in Texas almost 1 in 4 families will not get the child tax credit relief that they deserve. It means 1.3 million, 1,312,000 children, will not have tax relief that they deserve; they will instead be saddled with a giant debt tax as a result of the approach that is being proposed.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. MCDERMOTT), a member of the Committee on Ways and Means.

(Mr. MCDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. MCDERMOTT. Mr. Speaker, there seems to be some confusion here in the rubber-stamp Congress today.

I will quote from an article in Roll Call this morning which explains to me what happened.

It says that the President invited them all down to the White House, and this is from a senior Republican aide: ''Most people in the GOP leadership think it is inappropriate for the White House to bring our bosses down there to discuss congressional business and then not invite any staff to go with them.'' The aide said, ''Members who attend meetings are frustrated by the exclusion of the staff because it leaves them without aides to jog their memories of the sessions later.''

Now it is clear what has happened. The President said pass the Senate bill. The gentleman from Texas (Mr. DELAY) had on his mind that he had to find all these legislators in Texas, so he had to call up the home security board and he had to call up the FBI, and he got confused and got down in there and told the chairman of the Committee on Ways and Means, Do anything you want.

Now, here we are coming out here with no debate, and nobody wants to have anybody talk about what the issues here are. They just want to slam another $80 million on this bill, and wind up with what? A dead bill. They know the Senate is going to kill it. They are not as wild and radical as they are. With 74 to 2, this is a conservative Senate; or 94 to 2. I get carried away.

This rubber-stamp Congress is really out of control. They are the gang that cannot shoot straight. They should at least have one meeting on this.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MCDERMOTT. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Perhaps if the White House has a shortage of space, it might help if they invite the Members without staff and next week they invite the staff without the Members, and we might function better.

Mr. MCDERMOTT. I think that is a good idea.

Mr. Speaker, I include for the RECORD the article from Roll Call this morning to which I referred earlier.

The article referred to is as follows:

[From Roll Call, June 12. 2003]

HILL AIDES SPURNED

(By Ethan Wallison)

Republican aides on Capitol Hill are incensed over a new White House policy to exclude virtually all Congressional staff from

the semi-regular ''bi-cam'' meetings between President Bush and the GOP leadership.

The aides contend that they are being kept out of the meetings even as White House staffers and other senior officials, such as top Congressional lobbyist David Hobbs, continue to sit in.

''It does strike one as a little bit arrogant,'' one senior Senate GOP aide said. But, the aide added, ''I think that's the way some people at the White House think about Congressional staff.''

Noting that the meetings focus on the Congressional agenda, one senior House Republican aide added, ''Most people [in the GOP leadership] think it's inappropriate for [the White House] to bring our bosses down there to discuss Congressional business and then not invite any staff to go with them.''

The aide said Members who attend the meetings are as frustrated by the exclusions as the staff, because it leaves them without aides to help jog their account of the sessions later.

A White House official denied that there are any ''hard and fast rules'' about whether Congressional staff can attend the meetings.

''It comes down to the space that's available in the room and the topics that are being covered,'' the official said, adding that the same factors apply to White House staff.

But Congressional sources said they have been told that the staff directive comes straight from the top and President Bush, who simply wanted less staff in the meetings.

Under the new guidelines, according to these sources, Speaker Dennis Hastert's (R-Ill.) top aide, Scott Palmer, and Lee Rawls, Senate Majority Leader Bill Frist's chief of staff, will be permitted to attend the bi-cam sessions.

The new policy appears to be the upshot of a months-long give-and-take between the White House and the Congressional GOP leadership on the staff issue. Senior Congressional aides said the White House has been seeking ways to pare down the number of aides at the bi-cam meetings, but were finding it difficult to exclude some Capital Hill staff while allowing others to continue to attend.

''The figured they couldn't get away with the half-way approach, so they went all-or-nothing,'' one senior House GOP aide said.

The same aide said the White House has pledged to pare down the number of administration officials and staff at the meetings as well in the weeks ahead. Congressional aides remain skeptical.

One source noted that even Rawls was among the Capitol Hill aides who were kept out of the room Tuesday evening, when the GOP leadership went to the White House to discuss appropriations. (The spending meeting immediately preceded the bi-cam session.)

Rawls made the trip to the White House along with Senate Appropriations Committee Staff Director Jim Morhard and Kevin Fromer, Hastert's policy director.

All three were forced to wait outside the door to the meeting, even though Hobbs and Candida Wolff, Vice President Cheney's legislative affairs director, were allowed to participate.

Neither Rawls nor Palmer responded to phone calls on Wednesday.

To be sure, frustrated Congressional aides acknowledge that the personnel who are allowed into meetings at the White House reflects Bush's sense of what's appropriate.

Some of the meetings in the past have taken place in the White House residence, a more intimate setting that provides less space for visitors, according to a White House official.

But the exclusions have nevertheless fed resentments on Capitol Hill about what some Congressional Republicans believe to be the White House's disregard for Congress' role in shaping the overall agenda.

''It's particularly unhelpful in the same week that [the White House] cut our legs out from under us on the child tax credit,'' one senior House GOP aide said.

And some senior GOP aides contend that the shortage of first-hand accounts has at times had significant practical consequences, such as misunderstandings about deals and other arrangements that were sealed behind closed doors.

''When it comes down to implementing an agreement, it's the staff that has to do that,'' a senior Senate aide said, citing the appropriations process as one area where such miscommunication has been a problem.

''It's just frustrating.''

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. TANNER), a member of the Committee on Ways and Means.

Mr. TANNER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I know I sound like Johnny one-note when I get up here talking about the debt and the deficit on everything that seems to come along. But I want to tell the Members this is serious business, what is happening. If Members want to talk about spending, we and this Congress are spending more money now than any Congress in the history of this country. We are spending it every year, beginning next year and into perpetuity, on interest.

The difference between the bill the chairman has and what we tried to do to fix the problem like the Senate did in spending is $3.39 billion additional in spending, because that is what the interest over 10 years is on $80-something billion that is not paid for.

Now, anybody who wants to get into an argument about spending, we are spending ourselves into oblivion. CBO just came out and said that the deficit this year will be $400 billion. They raised it $100 billion in a month. So $400 billion at 4 percent is an additional $16 billion next year just to pay the interest on the operation of this government that has lasted over 200 years.

They sit here and they talk about spending. We are spending this country silly, and they are doing it by borrowing money that we have to pay interest on every year from now on.

Last year we paid or accrued $336 billion in interest, for which nobody gets a job, nobody gets an aircraft carrier, nobody gets health care, nobody gets an education. It is gone. It is payment on past consumption that we either did not have the courage to ask people to pay for, or we did not have the guts to cut the programs that need cutting.

Members want to talk about spending; let us talk about it. Here is $30 billion right now that we can save if Members want to accept what we have done with the motion to recommit.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from South Carolina (Mr. SPRATT), the ranking member of the Committee on the Budget.

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Speaker, let me explain to the House how under this Republican bill that we have just passed, compared to the Senate bill, taxes can be raised or child tax credits can be denied to many of our service men and women serving in places like Iraq and Iran and Afghanistan.

Let us take for example an E–6, a staff sergeant with two children who makes $29,000. His family will qualify for the full child tax credit, get this, so long as he stays stateside, in the United States. His pay is $29,000. He has to make more than $10,500 to qualify. Subtract the 105 from the 29, you get 18.5; multiply it by 15, he is fully qualified for two child tax credits at $1,000 apiece.

Now let us assume that he is assigned to Iraq, Afghanistan, or a combat zone. His pay while he is in a combat zone is tax-exempt. Let us assume he stays there 8 months. That is two-thirds of the year. Two-thirds of his income is therefore tax-exempt. It is not considered to be taxable income. His taxable income, therefore, is about $9,700, less than the $10,500 threshold. As a consequence, for serving in Iraq, serving in Afghanistan, he loses the two child tax credits.

Is this necessary? Absolutely not. The Senate bill avoided this problem. The language was there in the Senate bill. For some reason that has yet to be explained to these service members, much less the whole House. We do not know why it was dropped; we just know it was dropped.

As a consequence, an E–6, an average serviceman or woman serving in a combat zone, will be denied the benefit of these child tax credits that we are giving other people. Perversely, the longer he stays in the combat zone, the less his entitlement to these two child tax credits. That is absolutely outrageous. We should never have passed this bill; but having passed it, we certainly should pass the motion to instruct.

Maybe Members can say the reason we did that is we had to trim back this child tax credit so we could fit it into the overall bill. But this chart right here shows down in the little blue corner how much of the total cost of this bill is committed or required for the refundability of the child tax credit to apply to families making less than $26,000. There it is right there, $3 billion 48 million.

This represents the additional cost of the bill, all the other provisions that were extraneous, and this is the additional interest. It did not have to be done. There was plenty of room. Will somebody please tell us why we are treating our service members in this manner?

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WATSON), the distinguished former Ambassador.

Ms. WATSON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, just a few minutes ago we had the pleasure and the honor of

hosting Specialist POW Shoshana Johnson. Shoshana Johnson was the young woman who we saw worldwide taken captive by the Iraqi military. She served well. She endured, shot through both of her ankles. Once she was freed, they took care of her and flew her home. She has been in the States a few weeks, and agreed to come here so we could pay the most deserving tribute to her.

I want Members to know she has a 2-year-old child. She is a specialist. She will make less than $18,000 this year. She will be denied the child tax credit under the bill that just passed.

These young people who were willing not only to serve their country, but to give their lives and their limbs. I want Members to know she was up there in Rayburn with a cast on her left leg. She was brought in with a wheelchair. She is proud, and did not even realize what she did for her country.

But, Mr. Speaker, if we do not take care of the Shoshana Johnsons and take care of the very wealthy, we are abdicating our values under a democracy. I ask Members to please let us accept the Senate proposal for the child tax credit.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I intend to close the debate on this issue, hoping that perhaps the conferees would have an opportunity to review what has been done by the Senate and what has been done by the House, and to recognize this all started with us trying to help 6.5 million families and 12 million kids.

Why this was dropped by the majority, this provision that was in the Senate bill, I do not know. Why it was so vigorously resisted by the Republican leadership I do not know. Why they continuously referred to giving assistance to hardworking people throughout the United States and our military people as being welfare, I do not know.

Why they do not understand that a stronger America, a productive America, an increase in the purchasing power not just for those who clip coupons but for those who work every day, that have to buy clothes for their kids and pay for prescription drugs and pay rent, these are the things that really spur the economy.

It would just seem to me that somewhere we could find some type of compassion, to say we made a mistake, we left it out. And even for political reasons to be able to say, since the Senate has reached some type of bipartisan agreement, we looked it over, the President wants us to get relief out there as fast as we can; it is $6.5 billion more than we expected, but we will accept it.

What went into the thinking when people said, this is not going to happen? There are a lot of other things that are more important than that. The President can suggest, but he cannot vote. Then all of a sudden someone said, oh, no, we have to find some way politically that we can vote for it but make certain that it never sees the light of day. What can we possibly do to get a positive vote on this but to make certain that the Senate cannot accept it?

I was not privy to what happened, but one thing is clear: That other body knocked down the President's request from a tax cut for $726 billion. When they got finished with that, they knocked down the House tax cut from $550 billion to $350 billion. So it appears as though the Senate is very, very concerned about the size of the deficit.

Now, I know that that does not concern us in the House. I am glad to see the distinguished chairman of the Committee on the Budget that is here, because God knows he picked the wrong time to head the Committee on the Budget. They just threw that away. But things change, and maybe we will see better days.

But if they really wanted to find out what is it that they could do to politically irritate the Senate and to have them reverse themselves on the child credit, some demon could have whispered in their ear, Why don't you increase the deficit more? And they would say, yes, why not double it?

So we would come out in the House with a $20 billion, go to conference and adjust it, and it will be $15 billion. But then they said, but if you do that, you still would have a child credit bill. We want to make certain that when the majority leader says that it is not going to happen, it is not going to happen.

So then they said, Why not increase it to $30 billion, $40 billion, $50 billion, $80 billion? Bingo. The House will accede to the President's request and consider the legislation for giving child tax credits to working people by increasing the deficit by $82 billion. See how they like that.

□ 1815

See how the bleeding hearts like that? You really want to help the working families?

Well, this is what the deal is: We will give the working families a break today, but when it comes time to pay down the deficit, those kids are going to pay and they are going to pay big time. That is the decision that you are leaving to the Senate. It is shameful because I do not doubt the dedication of members of the other party. You just have a different way of looking at government. You really believe that government should be so small that we will reduce the revenue so low that we will starve each and every program that we believe in.

Some of those programs will not go away by legislation. You cannot kill Social Security by privatization. You cannot kill Medicare by vouchers. You cannot kill Medicaid by block grant. But there is one thing, whether you are a bleeding heart, a liberal, a Democrat or a moderate Republican, if the money is not there, then the leader is right, it is not going to happen. And let me tell you, every bit of taxes that we reduce here, that tax comes up somewhere. It comes up when Governors try to say, well, maybe we can fill up the gap, but politically they cannot. They have a limit on how much taxes they can raise, how much money they can borrow. And then it gets down to the cities, and, God knows, I know it. We got a good mayor, trying to do all of the things that the Congress has said in terms of homeland security, but we are closing fire departments, we are closing clinics, we are closing libraries. And while you are cutting taxes here, guess what we are doing in the great city of New York with the working people?

They are not getting welfare. They are working every day. They have got kids, but they are paying more for buses, for subways, for buying food and clothing, for day care, everything. They are paying more, including paying for Social Security and Medicare expenses.

So I know a lot of you think that these working people that we are trying to protect are welfare recipients. You do not pay taxes, you do not get tax relief. Well, they deserve some relief. They are entitled when we are giving the people back, those who pay taxes, God knows who makes America great, except those people who work every day, hoping that life will get better for them and a lot better for their kids.

And so if you want to say that that is not the Congress' responsibility, leave it to the United Jewish Appeal, leave it to Catholic Charities, leave it to the Protestants Council, but leave us out as the Federal Government. Let local and State government do it.

If you believe that, then what you do is starve the great reserves of this country. And if you cannot kill the programs legislatively, you kill them by not having the money there. So what you are saying is that one day when you accomplish your purpose, we will be paying more in interest on the trillions of dollars that we have borrowed than we will be able to pay for the programs that America has been so proud of.

Mr. Speaker, I yield back the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from California said, ''This really has nothing to do with working families.''

I will tell the gentleman, it has everything to do with working families. The provision that was offered and accepted on the Senate side, which was included in the Senate bill, was not supported by the authors of that amendment. This measure was never presented to, asked for, or included in the Senate provisions. We are now at a position of examining the Senate's behavior.

The movement for the refundable tax credit from 10 percent to 15 percent is in underlying law. It will occur January 1, 2005. The entire debate is over

whether or not it ought to be accelerated. But what also ends on January 1, 2005 is the $1,000 child credit, because the Senate decided it was more important to create the opportunity so that between now and the elections of 2004, someone can show their compassion for working families. The $57 billion of this proposal says, after the election, will you show your compassion for working families in the year 2005, 2006, 2007, 2008, 2009 and 2010, which just happens to correspond to the 6-year term of the Senate.

We thought it might be appropriate if there is compassion between now and November that the people are going to vote. No compassion will be there for the next 6 years as well. I believe one move was politics, the other is policy.

Let us talk about working families. In New York City, a fireman who responded on 9/11 and his wife, a teacher, make about $150,000 together. The Senate in its wisdom said we ought to raise the child credit from $110,000 to $150,000. And if you read the fine print of the Senate proposal, they are going to do that for 1 year, in 2010. Is that politics or policy? The $21 billion of this measure says if it is good enough for the $150,000-a-year joint working family in 2010, it is good enough for the working family today, next year, and every year until 2010.

Do you want politics or do you want policy? Politics is cheap. Policy costs money. We are asking you to put your dollars where your mouth is.

July 9, 2002, as a matter of urgency we sent to the Senate a military tax fairness bill that would provide appropriate changes in the laws for our men and women in uniform. Underscore that: July 9, 2002.

It still languishes over in the Senate. If they really cared about the men and women in uniform, we would have seen that bill-signing ceremony already. We are including that provision in this bill and asking the Senate once again to put policy where their mouth is. If the Senate has provisions in their measure that they want to bring to conference that we did not include, we invite them. But we invited them to a conference that does policy and not politics.

Mr. STARK. Mr. Speaker, I rise today in opposition to H.R. 1308, the House Republicans' phony attempt to fix the problem they created when they dumped low-income families from eligibility for the increased child tax credit passed as part of the President's latest tax cut package.

The Senate has already passed a bill to fix the problem with nearly unanimous support. But, House Republicans refuse to bring forth that bill. Instead, they've written an $82 billion bill with numerous tax breaks unrelated to the child tax credit for low income working families—and none of those $82 billion are paid for. It will increase our ballooning deficit even more.

This bill is nothing more than a way for the House Republicans' to look like they're trying to address the needs of working families. In fact, their goal is to sabotage this issue so they can hide the fact that they excluded low-income families from the child tax credit in the first place. They don't care at all if these families ever qualify for tax credit.

The House Republicans have brought this Trojan horse to the floor in order to pass further tax relief to upper-income families while betting that the Senate won't touch such an expensive bill with a ten-foot pole.

The House Republicans believe that they will then be able to blame defeat of the bill on the Senate, when in fact they are the ones to blame! The Senate bill has already overwhelmingly passed the Senate on a bipartisan basis. The bill is paid for, unlike the House version. And most important, the President has already signed-off on the Senate-passed bill.

These families work hard and contribute their fair share through payroll taxes and sales taxes. There is no question that they also deserve their fair share of tax relief, especially when the child tax credit has been increased by $400 for parents just one rung higher on the income ladder. They can use this tax credit to help pay for their children's needs—like food, clothing, medical care, and childcare.

I applaud Senate Republicans for heeding the call of Democrats and reversing course to pass a bill reinstating the child tax credit for these low-income working families. While it doesn't go far enough, it is a step in the right direction. Now it is time for House Republicans to do the same. It is the right and fair thing to do for America's families.

I urge my colleagues to support the Democratic motion to instruct conferees on H.R. 1308 so that the conference will agree to the Senate child tax credit bill. That's the only way these low-income families are going to get the tax credit. These are the families that need those few extra dollars the most. Vote for the motion to instruct.

Mr. KLECZKA. Mr. Speaker, last week the Senate passed legislation to restore to children of low-income working families the tax relief that was—at the last minute—removed from the tax cut signed into law last month. This new Senate bill's cost of 9.7 billion dollars is fully offset and is waiting at the desk right here, right now for our action. We could pass the bill today and send it to the President for his signature tomorrow.

However, my House Republican colleagues couldn't resist taking this important non-controversial bill—which passed the other body by a vote of 94–2—and weighing it down with more deficit growing tax cuts. The package before us today is almost 9 times larger than the Senate bill and every nickel of its 82 billion dollar price tag will be put onto our National Debt and repaid by our children and grandchildren.

The Congressional Budget Office reported earlier this week that the tax cut signed into law last month, coupled with increasing defense spending, will send the federal budget deficit above $400 billion this year. If House Republicans were serious about giving child tax credit relief they would have paid for their bill. And, knowing that the Senate is fiscally responsible—they know this product won't pass.

This is a cute way to appear to be for ''something'' while knowingly killing it. Let's be honest—most poor working folks don't vote for your guys so you're punishing their children today. Shame on you.

I urge my colleagues to reject this bill and to send a message to the 94 members of the other body that we are with them.

Mr. THOMAS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SWEENEY). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from New York (Mr. RANGEL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. RANGEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 205, nays 201, not voting 29, as follows:

[Roll No. 275]

YEAS—205

Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Bass
Becerra
Bell
Bereuter
Berkley
Berry
Bishop (GA)
Bishop (NY)
Boehlert
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Burr
Capito
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Castle
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Engel
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Frost
Gillmor
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton

Slaughter
Smith (MI)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—201

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Buyer
Calvert
Camp
Cantor
Carter
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
Emerson
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Franks (AZ)
Frelinghuysen
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McKeon
Mica
Miller (FL)
Miller (MI)
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tauzin
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—29

Abercrombie
Ackerman
Berman
Blumenauer
Burton (IN)
Cannon
Cubin
Davis (FL)
Eshoo
Ford
Fossella
Gallegly
Gephardt
Janklow
Jenkins
Johnson (CT)
Linder
Lipinski
McInnis
Miller, Gary
Moran (VA)
Paul
Pickering
Royce
Sessions
Smith (WA)
Tancredo
Taylor (NC)
Waxman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1840

Mr. WHITFIELD and Mr. HERGER changed their vote from ''yea'' to ''nay.''

Mr. GUTIERREZ changed his vote from ''nay'' to ''yea.''

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. MORAN of Virginia. Mr. Speaker, on rollcall No. 275, I was unavoidably detained in traffic due to the thunderstorm in Northern Virginia. Had I been present, I would have voted "yea."

Ms. KAPTUR. Mr. Speaker, on rollcall vote 275, the motion to instruct, I would like the RECORD to show that I intended to vote ''yea'' and inadvertently voted ''no.''

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. THOMAS, DELAY, and RANGEL.

There was no objection.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a concurrent resolution of the following title in which the concurrence of the House is requested:

S. Con. Res. 54. Concurrent resolution commending Medgar Wiley Evers and his widow, Myrlie Evers-Williams for their lives and accomplishments, designating a Medgar Evers National Week of Remembrance, and for other purposes.

The message also announced that pursuant to sections 276h–276k of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints the following Senators as members of the Senate Delegation to the Mexico-United States Interparliamentary Group during the First Session of the One Hundred Eighth Congress——

the Senator from Tennessee (Mr. FRIST);

the Senator from Tennessee (Mr. ALEXANDER); and

the Senator from Texas (Mr. CORNYN).

ORBIT TECHNICAL CORRECTIONS ACT OF 2003

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be discharged from further consideration of the bill (H.R. 2312) to amend the Communications Satellite of 1962 to provide for the orderly dilution of the ownership interest in Inmarsat by former signatories to the Inmarsat Operating Agreement, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2312

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''ORBIT Technical Corrections Act of 2003''.

SEC. 2. INITIAL PUBLIC OFFERING DEADLINES.

Clause (ii) of section 621(5)(A) of the Communications Satellite Act of 1962 (47 U.S.C. 763(5)(A)) is amended—

(1) by striking ''December 31, 2002'' and inserting ''June 30, 2004''; and

(2) by striking ''June 30, 2003'' and inserting ''December 31, 2004''.

Mr. DINGELL. Mr. Speaker, I rise in support of H.R. 2312, a bill to extend the deadline for Inmarsat to conduct the initial public offering required of it by the ORBIT Act.

The ORBIT Act was adopted in March of 2000 to promote a competitive market for satellite communications through privatization of inter-governmental organizations, one of which is Inmarsat. To further the twin goals of the privatization and independence of satellite carriers, the ORBIT Act called on Inmarsat to conduct an initial public offering (IPO) by December 31, 2001. As that December 2001 deadline approached, however, it became clear, given market conditions at the time, that it would be punitive to effectively force Inmarsat to conduct its IPO by the specified date. As a result, Congress passed legislation to provide an additional year to conduct the IPO, and also provided the FCC the ability to grant a six-month extension if warranted by market conditions.

Unfortunately, the market conditions have not improved to a point where it would be reasonable to require the IPO, and the current deadline—June 30, 2003—is now less than a month away. H.R. 2312, the ORBIT Technical Corrections Act, would not require Inmarsat to conduct its IPO until June 30, 2004, and it permits the FCC to grant an additional six months delay should market conditions continue to warrant such regulatory action. This legislation is clearly necessary at this time, lest the government would unfairly require one company and its investors to risk capital by offering shares to the public at a time when such shares are likely to be undervalued—perhaps grossly undervalued.

The Committee on Energy and Commerce continues to take an interest in the state of competition in the industry and the financial health of those who invest capital to build networks and offer satellite communications services. But as we proceed to grant one carrier additional time with which to conduct its IPO, I would observe that another provider—New Skies Satellites—long ago fulfilled the ORBIT Act's IPO and substantial dilution requirements. Since that time, it has diluted its original shareholder base yet again with a 10 percent share buyback. And New Skies is competing for satellite business independently, with strong independent management, precisely as congress envisioned in ORBIT. As

the Committee considers holding hearings to examine the state of competition in the satellite industry, I believe that Congress, having introduced a new market competitor to the satellite industry, ought to examine whether the many restrictions the ORBIT Act placed on ''separated entities''—in effect New Skies—are still necessary to preserve that company's independence and promote competition.

I look forward to working with my colleagues on the Committee on these issues. Today, I am satisfied simply to enact H.R. 2312. I urge my colleagues to support it as well.

Mr. SHIMKUS. Mr. Speaker, I rise today in support of H.R. 2312.

This bill is very straightforward. H.R. 2312 amends the ORBIT Act and gives the satellite company, Inmarsat, a little more time to complete their Initial Public Offering (IPO). Specifically, this legislation gives Inmarsat a 12-month extension from their pending June 30, 2003, deadline. It also gives the FCC the discretion to grant Inmarsat an additional 6-month extension on top of that if the company can demonstrate a legitimate need.

This legislation is necessary because the ORBIT Act—which was enacted in March 2000—did not anticipate the collapse of the IPO markets, especially in the telecommunications sector. In today's economic climate, Inmarsat cannot complete an IPO.

Without swift action by Congress on this bill, American farmers will face disrupted service of their precision farming technologies that rely on Inmarsat-distributed signals at the end of this month. Currently, many farmers, including many in my home state of Illinois, are utilizing GPS-based guidance systems to improve their productivity and efficiency. These systems enable farmers to more accurately apply seed, fertilizer and other inputs, reduce fuel use, and increase yields while reducing costs.

I want to emphasize that H.R. 2312 does not reopen the battles over the ORBIT law or challenge its underlying public policy. Rather, it simply makes this law workable as we suffer through this continuing down market.

I urge my colleagues to vote for this important and time-sensitive legislation.

Mr. TAUZIN. Mr. Speaker, I rise today in support of H.R. 2312, which will extend the deadline for Inmarsat to conduct the initial public offering required of it by the ORBIT satellite privatization law. H.R. 2312, introduced by Representatives SHIMKUS and MARKEY, is unopposed.

The ORBIT Act was enacted in March of 2000 to promote a competitive market for satellite communications through privatization of inter-governmental organizations, one of which is Inmarsat. The Federal Commications Commission has since found that Inmarsat has indeed satisfied the privatization criteria of the ORBIT Act.

In addition, ORBIT called on Inmarsat to conduct an initial public offering (IPO) by a date certain—December 31, 2001. However, as that December 2001 deadline approached, it became quite apparent that the volatility in the financial markets in general, and the telecommunications sector specifically, necessitated a grant of additional time within which Inmarsat could conduct its statutorily mandated IPO. As a result, Congress took the prudent step of including language in the Commerce-Justice-State FY 2002 Appropriations bill to provide an additional year to conduct the IPO, and also provide the FCC the ability to grant a six-month extension if warranted by market conditions. This action was non-controversial.

Unfortunately, the market conditions have not improved to a point where it would be reasonable to require the IPO and the current deadline (June 30, 2003) is now less than a month away. H.R. 2312, the ORBIT Technical Corrections Act, allows Inmarsat until June 30, 2004, to conduct its IPO.

The purpose of this IPO requirement was to substantilly dilute the ownership of the privatized Inmarsat by its former owners, many of which are foreign governmental entities, so as to further ensure its independence. I fully supported this goal when we enacted ORBIT, and still do today. Indeed, the action we take today, in my view, is consistent with this policy objective.

If forced to move ahead with an IPO at this time, Inmarsat will probably receive a reduced price for its shares offered. Foreign entities that still own significant portions of Inmarsat would likely be discouraged from offering their ownership interests for sale. Instead of resulting in substantial dilution of prior owners as envisioned by the ORBIT Act, a current year IPO might not achieve much dilution whatsoever. In that instance, Inmarsat would have complied with the procedural requirement of ORBIT without the substantive result that we in Congress sought: dilution of previous government owners. Given the state of the markets, the only way to ensure the dilution sought by ORBIT is to allow Inmarsat to further delay its IPO. That result is good public policy that is also good for the long-term health of the satellite communications industry.

The health of the satellite communications industry and ORBIT's implementation are important to the Committee on Energy and Commerce. We are currently exploring the possibility of holdings hearings on the state of the industry in the future. At the appropriate time, we need to examine ORBIT's implementation, and the efficiency of the existing regulatory regime. For instance, New Skies Satellites has fulfilled the requirements of ORBIT and now is a fully independent competitor in the international satellite marketplace. Some have questioned whether it makes sense to hold New Skies to a continuing list of regulatory restrictions and requirements. I look forward to working with my colleagues on the Committee to ensure that current law reflects the current realities of the satellite industry. However, today we need to enact H.R. 2312. I thank my collleagues for their support and I urge the prompt passage of this legislation.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2312, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

LEADERSHIP NEEDS TO MAKE SURE THE ELEVATORS ARE WORKING SO MEMBERS CAN VOTE

(Mr. ABERCROMBIE asked and was given permission to address the House for 1 minute.)

Mr. ABERCROMBIE. Mr. Speaker, I and other Members are as anxious as everyone else in here and leadership on both sides to vote in an expeditious manner; but if that is going to take place, then the leadership has to see to it that we are able to get into these elevators and get downstairs and get over here.

If it says ''Members Only'' during the time that the bells are ringing, then you have got to either put some signage up or get some people into the elevators that see to it that happens. I cannot see trying to kick people off the elevators who are citizens, trying to come see us, who operate in good faith, and we cannot get here to vote.

Now if you are so anxious to get this thing done in 15 minutes or 17 or whatever it is, that is fine. I will do my best, as I am sure everybody else will; but, Mr. Speaker, you have got to see to it then that we are able to get to do this in the manner in which we are supposedly designated to do it.

If you have elevators that are supposed to be for us during this time, then you are going to have to do things to see we can use them. I am not the only one who was disenabled from voting because I simply could not get down here. I could not get here fast enough because these elevators are stuck, and there are all kinds of people on them asking directions and you cannot get down here. If they are on the seventh floor in Longworth or end of the Cannon building, it is just not easy to do that in the 15 minutes, particularly when you are trying to kick people out of your office or get finished with what you have to get done in order to get over here to vote.

I am just asking on behalf of not just myself but any Member that finds himself or herself in these circumstances. Had I been over here, I am sure I would have voted aye, depending on what the wisdom of my colleagues would have directed me to do in the interest of the national purpose.

The SPEAKER pro tempore. The gentleman's request is respectfully noted.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute.)

Mr. HOYER. Mr. Speaker, I rise for the purpose of inquiring of the distinguished majority whip the schedule for tomorrow, and I will be pleased to yield to my friend, the distinguished majority whip.

Mr. BLUNT. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Missouri.

Mr. BLUNT. Mr. Speaker, I thank the gentleman from Maryland, my good friend, the Democratic whip for yielding to me.

Mr. Speaker, the House will convene on Monday at 12:30 p.m. for morning hour and 2 p.m. for legislative business and will consider several measures under suspension of the rules, and a final list of those bills will be sent to Members' offices by the end of this week.

□ 1845

Mr. Speaker, any votes called on those measures will be rolled until 6:30 p.m.

On Tuesday, we may consider additional legislation under suspension of the rules as well as the conference report on S. 342, the Keeping the Children and Families Safe Act. Next week we expect to consider several bills under a rule, including H.R. 8, the Death Tax Permanency Act; H.R. 1528, the Taxpayers Protection and IRS Accountability Act; and H.R. 660, the Small Business Health Fairness Act.

I would like to note for all Members that we are making a change to schedules that were sent to offices at the beginning of the year, and we do not plan to have votes next Friday, June 20.

Mr. HOYER. Mr. Speaker, I thank the gentleman for the information he provided us. I would like to ask a number of questions about bills that we see on the horizon, to see whether or not they may be scheduled in the near future.

The Associated Health Plans, can you tell us what day we might consider that bill, and how the bill will be considered, and whether or not we will be allowed a substitute and/or amendment?

Mr. BLUNT. If the gentleman will continue to yield, we intend to bring that bill to the floor this coming week, I think on Wednesday or Thursday.

Mr. HOYER. Does the gentleman have any information as to whether or not the minority would be allowed a substitute to that bill?

Mr. BLUNT. We look forward to a fair and full debate on that bill. Our rules generally leave that to the Committee on Rules, but if the proposed substitute is within the rules of the House, that is normally the procedure.

Mr. HOYER. Mr. Speaker, I appreciate the gentleman's remarks and I hope that we will be able to get a substitute and such amendments as we might deem to be appropriate to be considered by the full House.

On the State tax bill, can you tell us when we might consider that bill and also the status of any rule?

Mr. BLUNT. Again, I have announced that we intend to bring that bill to the floor next week. Again I would expect that would be on Wednesday or Thursday.

Mr. HOYER. Do you know which would come first, the associated health plans or the State tax?

Mr. BLUNT. I do not know which will come first.

Mr. HOYER. The IRS Accountability Act, can you tell us what day we might consider that bill and under what type of rule?

Mr. BLUNT. We are working with the Committee on Ways and Means on that bill and intend to have that bill up the two heavy working days, Wednesday and Thursday of next week.

Mr. HOYER. Medicare prescription drugs, there has been a lot of activity on that, and I know that a lot of work is going on in the Senate and here in the House. Can you tell us about when we can expect to see the Medicare prescription drug legislation considered in the committee of jurisdiction and then on the floor?

Mr. BLUNT. If the gentleman will continue to yield, this is one of the most important topics we will deal with, one of the most important debates we will have this year. Both the Committee on Ways and Means and the Committee on Energy and Commerce have been working hard for months now on a bill. That bill appears to be very near completion. We hope to have that bill on the floor before we take a district work break later this month.

Mr. HOYER. Mr. Speaker, I thank the gentleman.

Appropriations bills, I know we have started to mark up appropriations bills in the committee. When do you expect the first appropriations bills may come to the floor, now that some of the subcommittees are beginning to mark up their bills, and how many bills do you expect to consider before the July 4 district work period?

Mr. BLUNT. As the gentleman knows, the Committee on Appropriations has begun to move forward on these bills. Two bills, Military Construction and Homeland Security, were able to mark up their bills this week. We believe the Committee on Appropriations will have several additional markups in the next week. I would anticipate that we would have some of these appropriations bills on the floor this month.

Mr. HOYER. Lastly, Mr. Whip, the child tax credit, we have just instructed the conference committee to pass the Senate bill out of conference on a bipartisan vote. I do not see the chairman of the Committee on Ways and Means, but is there any feel when that bill might come out of conference?

Mr. BLUNT. Mr. Whip, I do not have any specific feel for that, but I have heard that the other body has indicated a willingness to go to conference fairly quickly on that. I would expect that conference to move in the relatively near future.

Mr. HOYER. Mr. Speaker, would it be fair to expect that we would consider that conference committee prior to the July 4 district work period?

Mr. BLUNT. It is always difficult to expect anything out of a conference committee, but it is certainly possible it could happen that quickly; but it is possible that is a little quicker than the conference could move. That would be some time within the next 2 weeks. I do not think that is impossible, but I think it might be a little optimistic.

Mr. HOYER. Mr. Speaker, reclaiming my time, I thank the gentleman for his comments, and I would simply say from our side of the aisle, and I know I speak for the leader and myself, in light of the fact that the House has urged the conference committee to report out the Senate bill, and in light of the fact that the Senate passed it 94–2, it would seem to be a relatively easy matter if the conferees followed the instructions of the House to pass the Senate bill. I believe the Senate would probably concur in that judgment, and we could have a bill out of here perhaps as early as next week.

Mr. BLUNT. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Missouri.

Mr. BLUNT. I would only say that the motion to instruct was a much narrower decision than the vote on the bill itself. There were many Members not making that vote. Certainly the motion to instruct did carry, but perhaps it was because of those elevators that Members were stuck in.

Mr. HOYER. Reclaiming my time, I do not know about everybody else, but of course had the gentleman who complained made the vote, we would have had one more vote on our side, as the gentleman indicated.

Mr. BLUNT. I would not want to overclaim where our votes were, but I was told we had more people in the elevator getting here. I think the gentleman's comments about time and ability to get to the floor were well taken, and I am sure the Speaker and the leaders on both sides of the aisle will take that under serious consideration.

Mr. MORAN of Virginia. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Virginia.

Mr. MORAN of Virginia. Mr. Speaker, I thank the gentleman. I missed the vote as well. There was a thunderstorm. I was caught in traffic, and I had no idea that such a quick gavel would be called on such an important vote. Had I been present, I would have voted ''aye.''

Mr. HOYER. Mr. Speaker, it is almost an avalanche of support for the position of this side, and some enlightened souls on your side of the aisle, and so perhaps we ought to conclude before we have such an overwhelming majority that there will be no alternative but to follow those instructions.

Mr. BLUNT. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Missouri.

Mr. BLUNT. By the speed of some of the things we do, my friend, a couple of Members stepping up in 10 minutes of time is almost an avalanche. The gentleman may be right about that.

ADJOURNMENT TO MONDAY, JUNE 16, 2003

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore (Mr. SWEENEY). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ROADLESS RULE REVISION AND ALASKA

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, I rise today to express my strong opposition to the decision earlier this week by the Bush administration to roll back protection for over 14 million acres of pristine forestland in the Tongass and Chugach National Forests in Alaska, the crown jewels of our national forest system.

In its most blatant example of catering to corporate special interests to date, the administration has once again put its wealthy contributors before the health and safety of our environments. Whether it comes to the stewardship of our precious forestlands, it appears the administration's priority is the timber industry, first and foremost, not the taxpayers or the environment. This decision, which was the result of a settlement with the State of Alaska, was made despite over 2.2 million comments and 600 public meetings and hearings on the roadless policy, the vast majority in support of protecting the Tongass and the Chugach, which is home to America's last great rainforest.

Just as damaging, the decision will allow individual States to seek additional exemptions, eroding national protections for 58.5 million acres of pristine national forests in 39 States.

I urge my colleagues to support the legislation that I have introduced, the Alaska Rainforest Protection Act, and the Inslee-Boehlert National Forest Roadless Area Conservation Act.

HONORING PASTOR CHARLES MCGOWAN

(Mrs. BLACKBURN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BLACKBURN. Mr. Speaker, today I rise to honor a man who has been a role model for me and my 2,500 fellow church members in how to honor the Lord and serve our brothers and sisters. He has shown us the path to both living a life of service and leaving a legacy of service.

Charles McGowan, the senior pastor of Christ Presbyterian Church in Nashville, Tennessee, is retiring. His decades of service to congregations and his mission outreach are a testament to the good a single man can do when firmly planted in a place by God. Under Pastor McGowan's leadership, we have developed a strong extension training site for the Covenant Theological Seminary. And in a time when we seek international understanding, our congregation, guided by Pastor McGowan, has forged a Ukraine partnership that has led to the Ukraine Biblical Seminary in Kiev.

Not only has Charles served his country as a man of God, he has served his country as a captain in the U.S. Army Reserve, Military Intelligence. Pastor McGowan and his wife Alice found time to raise a family of four children. Charles and Alice McGowan have shared generously with us. Theirs is truly the story of a life of grace, a life dedicated to others, and to their Lord and Savior, Jesus Christ.

RECOGNIZING SERGEANT ATANASIO HARO MARIN

(Ms. SOLIS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SOLIS. Mr. Speaker, I rise today to honor and remember Sergeant Atanasio Haro Marin, who lost his life in service to our Nation during Operation Iraqi Freedom. Today was his funeral. He came from a city I represent in Baldwin Park.

He was a member of Battery C, 3rd Battalion, 16th Field Artillery, 4th Infantry Division of Fort Hood, Texas. Today I pay tribute to him, to his loved ones, to his family for the safety and freedom and protections that he gave us. Let us not forget the other soldiers that are there that are also protecting our freedoms.

Mr. Speaker, I ask that Members of Congress please join me in extending my sincerest sympathy and condolences to the family and friends of Sergeant Atanasio Haro Marin, and would ask that all Americans join me in remembering our soldiers at this time.

□ 1900

COMMUNICATION FROM HON. NANCY PELOSI, DEMOCRATIC LEADER

The SPEAKER pro tempore (Mr. FRANKS of Arizona) laid before the House the following communication from the Honorable NANCY PELOSI, Democratic Leader:

U.S. HOUSE OF REPRESENTATIVES,
OFFICE OF THE DEMOCRATIC LEADER,
Washington, DC, June 12, 2003.

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

DEAR MR. SPEAKER: Pursuant to 44 U.S.C. 2702, I hereby appoint Mr. Joseph cooper of Baltimore, Maryland to the Advisory Committee On The Records Of Congress for a term of two years.

Best regards,

NANCY PELOSI.

REPORT ON ADMINISTRATION OF COASTAL ZONE MANAGEMENT ACT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Resources:

To the Congress of the United States:

I am pleased to transmit the Biennial Report to Congress on the Administration of the Coastal Zone Management Act by the Office of Ocean and Coastal Resource Management, National Ocean Service, National Oceanic and Atmospheric Administration for fiscal years 2000 and 2001. This report is submitted as required by section 316 of the Coastal Zone Management Act of 1972, as amended (16 U.S.C. 1451, *et seq.*).

The report provides an overview of the Coastal Zone Management Act and describes progress in addressing the major goals of the Act; partnerships to enhance coastal and ocean management; and research, education, and technical assistance.

GEORGE W. BUSH.

THE WHITE HOUSE, *June 12, 2003.*

REVIEW OF ALL FEDERAL DRUG AND SUBSTANCE ABUSE PROGRAMS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Armed Services, the Committee on Education and the Workforce, the Committee on Energy and Commerce, the Committee on Government Reform, the Committee on the Judiciary, the Committee on Small Business, and the Committee on Veterans' Affairs:

To the Congress of the United States:

Consistent with section 2202 of the Public Law 107–273, I hereby transmit a report prepared by my Administration detailing the findings of a comprehensive review of all Federal drug and substance abuse treatment, prevention,

education, and research programs. The report also presents an inventory of all such programs, indicating the legal authority for each program and the amount of funding in the last 2 fiscal years.

GEORGE W. BUSH.
THE WHITE HOUSE, *June 12, 2003.*

FATHER'S DAY 2003

(Ms. CARSON of Indiana asked and was given permission to address the House for 1 minute.)

Ms. CARSON of Indiana. Mr. Speaker, Sunday, June 15 is Father's Day in America. Children and families will give tribute to men who are wonderful, caring parents. According to the 2000 census, there were 27 million fathers who had children under the age of 18 in their households in the year 2000. According to the National Fatherhood Initiative, an estimated 25 million children live absent from their biological fathers, up from under 10 million in 1960. Of the children under 18 in the United States, 66 percent lived with both parents and 5 percent lived with only their father in 2000.

All fathers can be important contributors to the well-being of their children. Kristin Clark Taylor, author of ''Black Fathers, A Call for Healing,'' in her introduction writes:

''We are in need of our fathers. Our stomachs are growling, hungry for their presence. Our throats are parched, thirsty for the moment, the minute, the second that they walk back into our lives and bring smiles.''

I encourage, Mr. Speaker, the fathers across this land to do all that they can do to be with their children, not just for a Sunday holiday but to be a permanent part of their life. To quote Marian Wright Edelman, director of the Children's Defense Fund, ''We do not need an $82 billion bill to correct a $3.5 billion injustice.'' Fathers are struggling to be the best dad for the most part.

I salute Father's Day 2003 and fatherhood. I call upon the Congress to do what they can do to help the fathers, fatherhood and the wannabe fathers through responsible child tax credit legislation.

Happy Father's Day.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

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

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. CULBERSON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Ms. WOOLSEY. Mr. Speaker, I ask unanimous consent to give my Special Order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

CHILD TAX CREDIT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, today's vote on the Republican child tax credit bill was a squandered opportunity, a squandered opportunity to invest in our children and their families. We missed the chance to pass legislation that would immediately grant our Nation's hardworking families an increased child tax credit. The families I am talking about are those with dedicated workers that put in full-time hours at a low wage, pay taxes, and earn less than $26,000 a year. It is unfortunate that Republicans believe these forgotten children and families do not contribute enough to deserve a break. Their actions today left me no doubt that their priorities are dead wrong.

Why could the House Republican leadership not follow the other body and bring a clean child tax credit bill before us today? According to a colleague on the other side of the aisle, ''If we're going to do it, we should get something in exchange. If we give people a tax break that don't pay taxes, it's really welfare.''

Mr. Speaker, these families are not on welfare. They do pay taxes. They are not seeking welfare. They are seeking the same acknowledgment for their hard work as the rich received in the Republican tax package earlier, and they deserve tax relief now. This supposed party of compassionate conservatism has exploited the child tax credit issue to pass even more tax cuts for their wealthy friends. Rather than bringing up a child tax credit bill costing $3.5 billion with full offsets, which means fully paid for, they passed a bill that costs over $80 billion with no offsets, totally unpaid for, at a time when America's Federal deficit will exceed $400 billion.

Our priority should be to put money in the hands of working Americans while keeping our fiscal house in order. That way we can create jobs and build a strong economy. If we do not help our children now, I ask you, when will we? How can we ever expect to strengthen our Nation in the future when we ignore our children, 25 percent of our population, 100 percent of our future?

Mr. Speaker, the House Republican leadership failed our children today. They failed working families. The other body handed us a bill that would have increased tax credits for 6.5 million tax-paying families. The President, after hearing from the public and getting the pressure from the majority of the people in this Nation, actually came out in strong support of this cleaner legislation. He supported what the other body passed 94 to 2. But the bill passed today will not address the real needs of this Nation's hardworking, low-wage-earning families in the same way at all.

Mr. Speaker, it is time to restore true compassion for our Nation's working families rather than our Nation's millionaires. Our families need to know that we have not forgotten them. They are the core, they are the engine, they are what makes this Nation work, and we cannot forget them.

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

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Indiana (Mr. BURTON).

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ADDRESSING THE HIGH COST OF PRESCRIPTION DRUGS

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

Mr. GUTKNECHT. Mr. Speaker, I rise again tonight to talk about the high cost that Americans pay for prescription drugs. I am so lucky. Today I got to spend a good part of my day with a true American hero. Her name is Kate Stahl. For Members who have not seen it, I recommend, and I will submit for the RECORD, a copy of last week's U.S. News and World Report; and they did a story, the title of which is ''Health on the Border, Elderly Americans head north and south to find drugs they can afford.''

Featured in the story is this American hero. Her name is Kate Stahl. She is an 84-year-old grandmother. She was here in Washington today. She wore a little sign. It just said, ''Kate Stahl, Old Woman.'' In my opinion, Kate Stahl is an American hero, and she is a patriot. She stands on the shoulders of great patriots like the Sons of Liberty who threw tea in Boston Harbor, because she has said in this article, and I will quote, ''I'd like nothing better than to be thrown in jail.''

Kate Stahl has thrown herself into this fight for lower prescription drug prices. She calls herself a drug runner. She goes to Canada regularly to bring back prescription drugs for her friends and neighbors who cannot afford them. She is a patriot. Recently, the Kaiser Foundation did a study. They found that 29 percent of seniors say that they have had prescriptions that have gone unfilled because they could not afford them. I do not say shame on the pharmaceutical industry. Shame on us. Because we have the power to change it. The reason that we pay so much, and no one disputes this, and they have charts in here and comparisons of what people pay in Canada, Mexico and in Europe. No one disputes the charts. The numbers are always the same. America, the world's best market for prescription drugs, pays the world's highest prices. No one disputes that.

But the question is why. The answer I think is pretty simple. Because we are a captive market. Because the FDA has literally said that Americans, unlike most other people in the world, cannot take drugs across the border.

I am a Republican, and I happen to believe that there is nothing wrong with the word ''profit.'' But, ladies and gentlemen, there is something wrong with the word ''profiteer.'' They have every right to expect a reasonable rate of return on their investment and their research, but they should not get it all from American consumers like Kate Stahl. Kate Stahl, is she a common criminal? I do not think so. But our own government treats her like a common criminal. In the end, we are going to have a debate in the next several weeks about prescription drugs; and in the end every one of us is going to have to decide, will we stand with those brave patriots like Kate Stahl or will we stand with the huge pharmaceutical industry? I hope we make the right choice.

[From U.S. News & World Report, June 9, 2003]

HEALTH ON THE BORDER

ELDERLY AMERICANS HEAD NORTH AND SOUTH TO FIND DRUGS THEY CAN AFFORD

(By Susan Brink)

It's become something of a joke along the Maine-Canada border. So many busloads of retired people crisscross the line looking for affordable drugs that the roadside stands should advertise, ''Lobsters. Blueberries. Lipitor. Coumadin.'' Except, of course, that such a market in prescription drugs would be illegal.

These senior long-distance shopping sprees fall in a legal gray zone. But as long as people cross the border with prescriptions from a physician and have them filled for no more than a three-month supply for personal use, customs and other federal officials leave them alone. The trip might be tiring, but people can save an average of 60 percent on the cost of their prescription drugs. For some, that's the difference between taking the drugs or doing without. ''The last bus trip I was on six months ago had 25 seniors,'' says Chellie Pingree, former Maine state senator and now president of Common Cause. ''Those 25 people saved $19,000 on their supplies of drugs.'' Pingree sponsored a bill known as Maine Rx, which authorizes a discounted price on drugs for Maine residents who lack insurance coverage. The law was challenged by drug companies but recently upheld by the U.S. Supreme Court. It hasn't yet taken effect.

For years, field trips of senior citizens who live near the borders have been organized to roll north to Canada and south to Mexico. People in the middle of the country sometimes found, if their prescription drug costs were especially high, that they could save money on medications even if they flew to Europe. The Internet has made it even easier for people to fill their prescriptions from mail-order pharmacies.

Figuring out ways to spend less on prescription drugs has become a multi-faceted national movement of consumers, largely senior citizens. The prescription drug bill in America is $160 billion annually, and people over 65 fill five times as many prescriptions as working Americans on average. ''But they do it on health benefits that are half as good and on incomes that are half as large,'' says Richard Evans, senior analyst at Sanford C. Bernstein, an investment research firm. What's more, seniors account for 20 percent of the voting public.

Face-off. It's little wonder that the May 19 Supreme Court ruling got the attention of drug manufacturers and politicians across the country. The often-over-looked state of 1.3 million tucked in the northeast corner of the country became David to the pharmaceutical industry's Goliath. The face-off began three years ago when state legislators like Pingree began questioning why Maine's elderly population had to take all those bus trips.

Americans who are elderly and uninsured pay the world's highest prices for prescription drugs. That's because they buy their drugs individually, without the bulk bargaining power of an insurance company or the federal government. Other industrialized countries, like Canada, France, Germany, and Japan, have national healthcare systems and can use the bargaining power of their entire populations to negotiate drug prices and set limits on how much drug manufacturers can charge.

Though Congress has been debating a prescription drug plan for years, seniors today still have no drug coverage under Medicare. The Maine plan does not provide a drug benefit. Seniors and the uninsured would still purchase their own medicines, but the plan helps them get a discounted price on drugs similar to that available to Medicaid recipients, in effect bringing hundreds of thousands of individual (and powerless) consumers into a powerful negotiating block.

Teaming the elderly and uninsured with Medicaid recipients gives them bargaining power they've never had before. Drug manufacturers are required to give Medicaid a discount of about 15 percent below the list price or match the lowest price on the market. That creates an incentive to keep the market price as high as possible, says Katharine Greider, author of The Big Fix: How the Pharmaceutical Industry Rips Off American Consumers. But most consumers don';t notice the high drug prices, because with health insurance they only pay a small copayment. Only those lacking prescription drug coverage—including many elderly—end up paying full retail price for drugs.

The law's leverage disturbs the drug industry. It would create formulary, or list of preferred drugs, for this block of patients, similar to those used by many managed-care organizations. If a manufacturer did not lower its prices, it would not be on the state's formulary. Drug companies oppose the law as a quality-of-care issue. ''Under Maine's program, government officials, rather than doctors and patients, would effectively decide which medicines will be available for Medicaid and non-Medicaid patients,'' says a statement from Pharmaceutical Research and Manufacturers of America, the industry's trade organization.

The Maine drug plan was crafted three years ago, and health officials are now refining a draft of the law to send to the Legislature. But the pharmaceutical industry is far from ready to give up the fight. ''I don't go to any meetings that don't have five lawyers sitting around the table,'' says Peter Walsh, acting commissioner or the Maine Department of Human Services. Even when it goes forward, one small New England state's law won't solve the nation's prescription drug crisis.

The greater hope for consumers—and the greater threat to the industry—is the clout of about 18 other states that have filed bills similar to Maine's. ''The point at which you get half or more states to do this, it becomes a more and more significant intrusion into the market. And it becomes harder for the pharmaceutical industry to fight back. That's why they had to fight so hard against Maine's law,'' says Sara Rosenbaum, professor of health-policy law at George Washington University.

Going south. Meanwhile, individual consumers are figuring out their own ways to bypass steep American drug prices. For example, Bill Goff goes to Tijuana, Mexico, four times a year. He flies from his home in Reno, Nev., to San Diego, stays in the Travelodge, rents a car for a day, and crosses the border to visit Carlos Cortez of Farmacia Internacional with a fist-full of prescriptions. He has a host of medical disorders, including rheumatoid arthritis, diabetes, asthma, glaucoma, and osteoporosis. He would spend $32,000 a year on prescription drugs in the United States, but he has cut his annual cost to $9,500, even including travel costs. ''It's not a matter of saving money. It's a matter of living,'' says Goff. ''If I didn't go to Mexico, I couldn't afford the drugs. I'd be dead.''

Others are skipping the travel altogether, some with the help of 84-year-old Kate Stahl. She is not above using the ''grandmother'' image to further a cause. ''I'd like nothing better than to be thrown in jail. People would say, 'Oh, the poor, frail old granny,''' she says with a laugh. ''I can be very frail if I have to.'' Stahl volunteers with the Minnesota Senior Federation, helping people get the forms and information they need to get mail-order prescription from Canada. The plan, called the Canadian Prescription Drug Importation Program (www.mnseniorfed.org), is open to anyone in the United States. But while no one seems ready to throw the likes of Stahl in the slammer, the program's legality is murky.

Though the Food and Drug Administration says it cannot guarantee the safety of imported drugs (even if they're exported from the United States, then reimported, as many are), individuals filling their personal prescriptions are generally left alone. But the agency has sent warning letters to profit-making drugstores in the United States that

help consumers get mail-order prescriptions from Canada, saying that reimporting cheap drugs is a violation of the law and a risk to public health.

Since Stahl and her organization do not profit from their efforts, so far no one has hassled them. Rep. Gil Gutknecht, a Minnesota Republican, is trying to pass legislation that would make it easier for people to get their drugs from Canada or overseas. Laws to that effect have passed twice before, but both times the FDA protested that it could not guarantee the safety of drugs reimported from Canada, and so the law has not taken effect. Still, Gutknecht is not alone in interpreting present laws in a way that allows people to buy personal three-month supplies of drugs overseas without problems.

Cortez has a conference table display of brand-name prescription drugs in his Tijuana office. One by one he holds them up. Pfizer's Lipitor, Eli Lilly's Prozac. Merck's Fosamax. They're not loose pills; they are individually bubble-wrapped within sealed boxes. ''We have no doubt that what we're buying is what it is. It comes from world-class labs,'' he says. And the 30 percent of his customers who are American seem to agree.

He's aware of the irony: a businessman from the developing world profiting on sales to desperate citizens of the wealthiest country on Earth. ''It doesn't get more stark than right here. You can see so clearly: Third World,'' he says, pointing to the roadside squalor in Tijuana, the concrete barriers at dusk crowded with men waiting for nightfall and a risky dash across the border. ''First World,'' he finishes, pointing toward the city of San Diego across the border. ''My business thrives on people coming here from the States. But I shouldn't have people thanking me for making it possible for them to survive when they are from a country like the United States.''

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

(Mr. DAVIS of Illinois addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BUYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

ORDER OF BUSINESS

Mr. HENSARLING. Mr. Speaker, I ask unanimous consent to give my Special Order now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

LITIGATION REFORM

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

Mr. HENSARLING. Mr. Speaker, today the House passed landmark legislation in the passage of the Class Action Fairness Act of 2003. Lawsuit abuse is everywhere. It is harming American businesses, consumers, and families.

Mr. Speaker, there is something wrong with our legal system when it is easier to sue a doctor than it is to see a doctor. There is something wrong with our legal system when a plaintiff can be awarded millions of dollars because McDonald's serves hot coffee and not lukewarm coffee. There is something wrong with our legal system when people can sue Kentucky Fried Chicken for their weight gain because they ate too much fried chicken. And, Mr. Speaker, there is definitely something wrong with our legal system when the awards and settlements from class action lawsuits more often than not benefit the trial attorneys and not the purported victims.

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That is right, studies show that over half of all tort liability costs go to trial lawyers and administrative expenses, not the victims, real or imagined. In one egregious example, a Bank of Boston settlement ordered $8.64 to each class member, but then turned right around and assessed each of those members $90 in trial lawyer fees.

In a case against Blockbuster, the attorneys took home $9.25 million in fees, while customers got a $1-off coupon for future video rentals.

In a suit against Cheerios, the trial lawyers were paid nearly $2 million in fees, while the customers from the suit received coupons for a free box of cereal.

Mr. Speaker, the examples go on and on and on; millions for trial lawyers, pennies for purported and real victims.

In recent years, State courts have been flooded with interstate class action lawsuits, many without merit. In fact, more than 15 million civil lawsuits were filed in 1999 alone. That is one lawsuit for every 18 people in our country.

Over the last 10 years alone, class action filings in State courts have increased 1,000 percent. That is right, 1,000 percent. Why is this happening? Well, with so many class action suits and so much at stake, most companies are deciding to settle these suits, even if they do not have merit, enriching trial lawyers and giving little or nothing to victims and costing the rest of us dearly.

How does it cost us, Mr. Speaker? The cost of litigation accounts for one-third of the price of an 8-foot aluminum ladder, it doubles the price of a football helmet, it adds $500 to the sticker price of a new car, and it increases the cost of a pacemaker by $3,000.

Mr. Speaker, the American people may not realize it, but they are paying $1,200 a year more for goods and services because of lawsuit abuse. That is enough to pay a couple of months of day care, purchase a home computer for a child, or buy 9 months of prescription drugs for a senior citizen. That is what each of us is losing.

It costs us in other ways as well. Another survey has found that for fear of product liability, almost half of small businesses have had to withdraw products from the marketplace, and 39 percent decided not to introduce new products. Litigation concerns have led several companies to postpone or cancel promising AIDS vaccines.

Class action lawsuit abuse especially hurts small businesses, because small businesses are often named as defendants in these suits so that the suits can be kept in trial-lawyer-friendly local courts.

These suits cause huge increases in insurance premiums, causing many small businesses to either pay up or go belly up. What a loss, Mr. Speaker, because two out of three jobs in America are created by small business.

Mr. Speaker, we must make the class action process more fair. The Class Action Fairness Act of 2003 will implement several important changes to dramatically improve our judicial system. By expanding Federal jurisdiction for truly multistate lawsuits, the Class Action Fairness Act will reduce the number of frivolous lawsuits and help prevent venue shopping by trial attorneys for favorable rulings. The judicial review and approval process will prohibit courts from awarding larger settlements to plaintiffs based solely on their proximity to the courthouse, and, very, very important, it will provide a much-needed safeguard for plaintiffs from being shortchanged by trial attorneys.

Mr. Speaker, many class action lawsuits are valid, meritorious, and address legitimate grievances by groups of people with similar claims. But the abuse of this legal tool is overwhelming. It is costing us jobs, bankrupting businesses, depleting businesses, and gouging consumers. We must have reform.

REPUBLICANS AND SPENDING

The SPEAKER pro tempore (Mr. FRANKS of Arizona). Under a previous order of the House, the gentleman from Texas (Mr. STENHOLM) is recognized for 5 minutes.

Mr. STENHOLM. Mr. Speaker, just yesterday, the Congressional Budget Office projected the Federal Government will end fiscal year 2003 with the largest deficit in the history of our country, more than $400 billion. The Republican leadership responded to that news by scheduling a vote today on legislation that would add another $100 billion in debt over the next decade. The Republican leadership claims that we can afford their tax cuts and balance the budget by controlling

spending. Unfortunately, the Republican rhetoric about controlling spending does not match the reality of their own record.

In the 8 years since Republicans took control of Congress, discretionary spending has increased by an average of 6.5 percent per year, compared to an average of 1.6 percent in the previous 8 years. President Bush signed spending bills increasing spending by nearly 22 percent in the first 2 years he was in office.

Now, some of that was uncontrollable, due to the war and 9/11, but not all of it. When Republicans took control of Congress in 1994, total spending was $1.4 trillion. Under their budget they propose to spend $2.2 trillion next year, an increase of over $800 billion over 10 years.

If we are going to come to the floor day after day, tax cut after tax cut, a tax cut a week, if that is your strategy, and you say we are going to control spending, you have got to do something about your record.

This is the way spending is going to increase under the budget that the majority has put forward this year. By the end of this decade, total spending under the Republican budget will be more than double what it was when Republicans gained control of Congress. You would not gather that by the rhetoric we heard again today. We just keep talking over each other.

But these are the facts of what is happening. If we are going to cut taxes and if we are going to do the things that you propose to do every week, then you have got to cut spending. Otherwise we are going to run this country into the ground. And you are not proposing to do it.

Earlier this week, the administration and Republican leadership have already agreed to increase discretionary spending for the next year by $5.2 billion, an increase above the budget resolution they passed just 2 months ago.

Just today, the administration has informed the Committee on Appropriations that they will request another $1.6 billion in supplemental spending for the current fiscal year, an increase. The Blue Dog budget called for tough spending limits by adopting the President's overall spending levels.

I have no quarrel with what the majority proposed on discretionary spending. This is the green line. I have no quarrel with that.

The budget conference report the Republicans passed earlier this year is essentially adopting the spending levels we had in the Blue Dog budget, and that was supported by a majority of Democrats. The Blue Dogs are willing to work with Republicans to hold the line on spending at levels in their budget resolution. Unfortunately, the actions of the last few days show that the Republicans are not willing to stick with the spending levels in their own budget, but yet we keep talking about we are going to control spending.

The Republican budget policies are increasing the most wasteful spending in the Federal budget, the $332 billion collected from taxpayers simply to cover our national interest payments. This debt tax consumed a whopping 18 percent of all Federal tax dollars this year, and will increase to 20.1 percent by 2013. This is an increase in the debt tax that working men and women are going to have to pay in order to fulfill the economic policy that we keep hearing about every day.

The bill that passed the House today would add another $31 billion in spending, spending, spending. We had a $3.48 billion problem, and what does the leadership on this side of the aisle propose to do? Spend $30.39 billion more to solve a $3.48 billion problem.

I do not know how much longer we can do that. It does not seem to bother anybody on the other side of the aisle. I used to join with you day after day after day in saying we need to balance our Federal budget. I used to vote with you. I have not changed my voting pattern.

Under the Republican budget plan, the national debt will increase to over $12 trillion by 2013. Now, that may not bother anyone, and we can have another tax cut next week, which I understand we are going to have.

But let me say at this point, in closing, Mr. Speaker, the Blue Dogs have issued a letter of challenge to the Republican Message Group. I have spoken with the gentleman from Georgia (Mr. KINGSTON). We would like to have a little debate on this. We have got responsible people on both sides of the aisle that are just as worried about this as we are.

Instead of talking over each other and reading our 2-minute speeches and acting like we are not even in the same world, the Blue Dogs are challenging at least once every week, every night, for the rest of this year, if that is what we agree to do, to talk about these issues, and not just have me standing up pointing to the charts, but having my friends on the other side stand up and say, ''You are all wet, Charlie. That is not the way it is,'' even though these come right out of your budget and the OMB.

I think we need to have a real debate on this issue. So we are making this challenge, I am making it publicly right now, and I look forward to Special Orders next Monday, Tuesday or Wednesday, in which we can sit down and talk about this.

If we are going to talk about controlling spending, then let us propose a budget that does it. Let us not vote down the Blue Dog budget that would have been balanced. Let us not talk about a constitutional amendment, which, by the way, I am for and we will be starting the charge on that also next week to require a balanced budget.

If you are going to talk about it, you have to be prepared to do those things necessary to do it. And you do not cut taxes and increase the debt cost, the interest debt cost by $30 billion to solve a $3 billion problem. It will not work.

As we say back home in Texas, ''that dog won't hunt.''

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

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CHILD TAX CREDIT

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

Mr. BURGESS. Mr. Speaker, I rise tonight to discuss the refundable child tax credit that we voted on earlier this evening.

I appreciate the remarks of my good friend and next-door neighbor from Texas, but, Mr. Speaker, I have to ask, how did we get here?

Our friends on the other side of the aisle have characterized the recently passed Jobs and Growth Tax Act as ''misdirected'' and targeted to the wrong people. They say that in order to stimulate the economy we do not need to return the tax dollars to people who pay taxes.

Well, in 2001, and, of course, I was not here then, but this House did pass a tax bill that did return tax dollars to people who do not pay taxes, but the stimulatory effect to the economy from that activity was minimal. So 2 weeks ago we did something different, and we passed the President's economic stimulus plan, which put tax dollars back in the hands of the people who make our economy go. The other side complained about the deficit again, and yet this week they advocated extending the refundable child credit another $3.5 billion.

Mr. Speaker, the fact remains that small businesses are becoming more and more important to the Nation's overall business activity. They create the majority of new jobs and account for half of the economy's private output.

The jobs and growth plan gives small businesses the ability to immediately expense up to $100,000, instead of the current write-off of $25,000 in capital purchases. This encourages small businesses to buy technology, machinery and other equipment that they need to expand their business and meet the needs of their consumers.

The jobs and growth plan increased the child tax credit and eliminated the marriage penalty and exempted another 3.8 million workers from Federal tax liability. And low-income families in particular benefited from this economic growth and tax relief package through a number of provisions.

We accelerated the expansion of the 10 percent bracket. This means workers

can earn more before they get moved into the 15 or 25 percent tax brackets.

Our jobs and growth program eliminated the marriage penalty.

We also accelerated the President's 2001 tax cut provision to increase the child tax credit to $1,000. Accelerating the expansion of the child tax credit will provide 26 million families with an average tax cut of $623. Obviously it means a great deal for a family of four, working to make ends meet each year.

While I recently was surprised to learn that the Democratic Caucus was interested in passing additional tax relief, I am pleased to work with them to accomplish several things. I would like to see us eliminate the marriage penalty in the child tax credit.

I would like to see us repeal the sunset included in the jobs and growth economic package to ensure that the child tax credit stays at $1,000 through 2010, not just through the next election year.

I would like to reiterate with my good friend from Texas our commitment to the military tax relief provisions that passed this House in March. These provisions include the capital gains tax relief on home sales, tax-free death gratuity payments, and tax-free dependent care assistance for members of the military.

In the future, Mr. Speaker, I look forward to working with my friend from Texas and our friends on the other side of the aisle on fundamental tax reform, including permanent elimination of the death tax. I also look forward to holding the line on the Federal deficit by controlling discretionary spending as we start this year's appropriations process.

Mr. Speaker, in closing, I think it is time that we have to focus on the fact that we cannot any longer punish those who work hard, take risks and are successful, the small business entrepreneurs in our society. America's economic recovery depends on the jobs created by the success of that segment of the population.

Mr. Speaker, our majority leader said it so well tonight: It is time for some of us not just to stand up for the cameras, but to stand up for America.

PUBLICATION OF THE RULES FOR THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE, 108TH CONGRESS

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

Mr. GOSS. Mr. Speaker, I am pleased to transmit herewith the Rules of Procedure for the Permanent Select Committee on Intelligence for the 108th Congress. The enclosed rules were adopted by the Committee, in February 2003.

Pursuant to rule XI, clause 2(a)(2) of the Rules of the House of Representatives, I request that the enclosed Rules of Procedure be printed in the CONGRESSIONAL RECORD at the earliest convenient date.

RULES OF PROCEDURE FOR THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

1. SUBCOMMITTEES

(a) Generally.

(1) Creation of subcommittees shall be by majority vote of the Committee.

(2) Subcommittees shall deal with such legislation and oversight of programs and policies as the Committee may direct.

(3) Subcommittees shall be governed by these rules.

For purposes of these rules, any reference herein to the ''Committee'' shall be interpreted to include subcommittees and the working group, unless otherwise specifically provided.

(b) Establishment of Subcommittees. The Committee establishes the following subcommittees:

(1) Subcommittee on Human Intelligence, Analysis, and Counterintelligence;

(2) Subcommittee on Technical and Tactical Intelligence;

(3) Subcommittee on Intelligence Policy and National Security; and,

(4) Subcommittee on Terrorism and Homeland Security.

For purposes of these rules, any reference herein to the ''Committee'' shall be interpreted to include subcommittees, unless otherwise specifically provided.

(d) Subcommittee Membership.

(1) Generally. Each Member of the Committee may be assigned to at least one of the four subcommittees.

(2) Ex Officio Membership. In the event that the Chairman and Ranking Minority Member of the full Committee do not choose to sit as regular voting members of one or more of the subcommittees, each is authorized to sit as an ex officio Member of the subcommittees and participate in the work of the subcommittees. When sitting ex officio, however, they—

(A) shall not have a vote in the subcommittee; and

(B) shall not be counted for purposes of determining a quorum.

2. MEETING DAY

(a) Regular Meeting Day for the Full Committee.

(1) Generally. The regular meeting day of the Committee for the transaction of Committee business shall be the first Wednesday of each month, unless otherwise directed by the Chairman.

(2) Notice Required. Such regular business meetings shall not occur, unless Members are provided reasonable notice under these rules.

(b) Regular Meeting Day for Subcommittees. There is no regular meeting day for subcommittees.

3. NOTICE FOR MEETINGS

(a) Generally. In the case of any meeting of the Committee, the Chief Clerk of the Committee shall provide reasonable notice to every Member of the Committee. Such notice shall provide the time and place of the meeting.

(b) Definition. For purposes of this rule, ''reasonable notice'' means:

(1) written notification;

(2) delivered by facsimile transmission or regular mail, which is

(A) delivered no less than 24 hours prior to the event for which notice is being given, if the event is to be held in Washington, D.C.; or

(B) delivered no less than 48 hours prior to the event for which notice is being given, if the event is to be held outside Washington, D.C.

(c) Exception. In extraordinary circumstances only, the Chairman may, after consulting with the Ranking Minority Member, call a meeting of the Committee without providing notice, as defined in subparagraph (b), to Members of the Committee.

4. PREPARATIONS FOR COMMITTEE MEETINGS

(a) Generally. Designated Committee Staff, as directed by the Chairman, shall brief Members of the Committee at a time sufficiently prior to any Committee meeting in order to:

(1) assist Committee Members in preparation for such meeting; and

(2) determine which matters Members wish considered during any meeting.

(b) Briefing Materials.

(1) Such a briefing shall, at the request of a Members, include a list of all pertinent papers, and such other materials, that have been obtained by the Committee that bear on matters to be considered at the meeting; and

(2) The staff director shall also recommend to the Chairman any testimony, papers, or other materials to be presented to the Committee at the meeting of the Committee.

5. OPEN MEETINGS

(a) Generally, Pursuant to Rule XI of the House, but subject to the limitations of subsection (b), Committee meetings held for the transaction of business, and Committee hearings, shall be open to the public.

(b) Exceptions. Any meetings or portion thereof, for the transaction of business, including the markup of legislation, or any hearing or portion thereof, shall be closed to the public, if:

(1) the Committee determines by record vote, in open session with a majority of the Committee present, that disclosure of the matters to be discussed may:

(A) endanger national security;

(B) compromise sensitive law enforcement information;

(C) tend to defame, degrade, or incriminate any person; or

(D) otherwise violate any law or Rule of the House.

(2) Notwithstanding paragraph (1), a vote to close a Committee hearing, pursuant to this subsection and House Rule X shall be taken in open session—

(A) with a majority of the Committee being present; or

(B) pursuant to House Rule X, clause 11(d)(2), regardless of whether a majority is present, so long as at least two Members of the Committee are present, one of whom is a member of the Minority, and votes upon the motion.

(c) Briefings. All Committee briefings shall be closed to the public.

6. QUORUM

(a) Hearings. For purposes of taking testimony, or receiving evidence, a quorum shall consist of two Committee Members.

(b) Other Committee Proceedings. For purposes of the transaction of all other Committee business, other than the consideration of a motion to close a hearing as described in rule 5(b)(2)(B), a quorum shall consist of a majority of Members.

7. REPORTING RECORD VOTES

Whenever the Committee reports any measure or matter by record vote, the report of the Committee upon such measure or matter shall include a tabulation of the votes cast in favor of, and the votes cast in opposition to, such measure or matter.

8. PROCEDURES FOR TAKING TESTIMONY OR RECEIVING EVIDENCE

(1) Notice. Adequate notice shall be given to all witnesses appearing before the Committee.

(b) Oath or Affirmation. The Chairman may require testimony of witnesses to be given under oath or affirmation.

(c) Administration of Oath or Affirmation. Upon the determination that a witness shall testify under oath or affirmation, any Member of the Committee designated by the Chairman may administer the oath or affirmation.

(d) Interrogation of Witnesses.

(1) Generally. Interrogation of witnesses before the Committee shall be conducted by Members of the Committee.

(2) Exceptions.

(A) The Chairman, in consultation with the Ranking Minority Member, may determine that Committee Staff will be authorized to question witnesses at a hearing in accordance with clause (2)(j) of House Rule XI.

(B) The Chairman and Ranking Minority Member are each authorized to designate Committee Staff to conduct such questioning.

(e) Counsel for the Witness.

(1) Generally. Witnesses before the Committee may be accompanied by counsel, subject to the requirements of paragraph (2).

(2) Counsel Clearances Required. In the event that a meeting of the Committee has been closed because the subject to be discussed deals with classified information, counsel accompanying a witness before the Committee must possess the requisite security clearance and provide proof of such clearance to the Committee at least 24 hours prior to the meeting at which the counsel intends to be present.

(3) Failure to Obtain Counsel. Any witness who is unable to obtain counsel should notify the Committee. If such notification occurs at least 24 hours prior to the witness' appearance before the Committee, the Committee shall then endeavor to obtain voluntary counsel for the witness. Failure to obtain counsel, however, will not excuse the witness from appearing and testifying.

(4) Conduct of Counsel for Witnesses. Counsel for witnesses appearing before the Committee shall conduct themselves ethically and professionally at all times in their dealings with the Committee.

(A) A majority of Members of the Committee may, should circumstances warrant, find that counsel for a witness before the Committee failed to conduct himself or herself in an ethical or professional manner.

(B) Upon such finding, counsel may be subject to appropriate disciplinary action.

(5) Temporary Removal of Counsel. The Chairman may remove counsel during any proceeding before the Committee for failure to act in an ethical and professional manner.

(6) Committee Reversal. A majority of the Members of the Committee may vote to overturn the decision of the Chairman to remove counsel for a witness.

(7) Role of Counsel for Witness.

(A) Counsel for a witness:

(i) shall not be allowed to examine witnesses before the Committee, either directly or through cross-examination; but

(ii) may submit questions in writing to the Committee that counsel wishes propounded to a witness; or

(iii) may suggest, in writing to the Committee, the presentation of other evidence or the calling of other witnesses.

(B) The Committee may make such use of any such questions, or suggestions, as the Committee deems appropriate.

(f) Statements by Witnesses.

(1) Generally. A witness may make a statement, which shall be brief and relevant, at the beginning and at the conclusion of the witness' testimony.

(2) Length. Each such statements shall not exceed five minutes in length, unless otherwise determined by the Chairman.

(3) Submission to the Committee. Any witness desiring to submit a written statement for the record of the proceeding shall submit a copy of the statement to the Chief Clerk of the Committee.

(A) Such statements shall ordinarily be submitted no less than 48 hours in advance of the witness' appearance before the Committee.

(B) In the event that the hearing was called with less than 24 hours notice, written statements should be submitted as soon as practicable prior to the hearing.

(g) Objections and Ruling.

(1) Generally. Any objection raised by a witness, or counsel for the witness, shall be ruled upon by the Chairman, and such ruling shall be the ruling of the Committee.

(2) Committee Action. A ruling by the Chairman may be overturned upon a majority vote of the Committee.

(h) Transcripts.

(1) Transcript Required. A transcript shall be made of the testimony of each witness appearing before the Committee during any hearing of the Committee.

(2) Opportunity to Inspect. Any witness testifying before the Committee shall be given a reasonable opportunity to inspect the transcript of the hearing, and may be accompanied by counsel to determine whether such testimony was correctly transcribed. Such counsel:

(A) shall have the appropriate clearance necessary to review any classified aspect of the transcript; and

(B) should, to the extent possible, be the same counsel that was present for such classified testimony.

(3) Corrections.

(A) Pursuant to Rule XI of the House Rules, any corrections the witness desires to make in a transcript shall be limited to technical, grammatical, and typographical.

(B) Corrections may not be made to change the substance of the Testimony.

(C) Such corrections shall be submitted in writing to the Committee within 7 days after the transcript is made available to the witnesses.

(D) Any questions arising with respect to such corrections shall be decided by the Chairman.

(4) Copy for the Witness. At the request of the witness, any portion of the witness' testimony given in executive session shall be made available to that witness if that testimony is subsequently quote or intended to be made part of a public record. Such testimony shall be made available to the witness at the witness' expense.

(i) Requests to Testify.

(1) Generally. The Committee will consider requests to testify on any matter or measure pending before the Committee.

(2) Recommendations for Additional Evidence. Any person who believes that testimony, other evidence, or commentary, presented at a public hearing may tend to affect adversely that person's reputation may submit to the Committee, in writing:

(A) a request to appear personally before the Committee;

(B) A sworn statement of facts relevant to the testimony, evidence, or commentary; or

(C) proposed questions for the cross-examination of other witnesses.

(3) Committees Discretion. The Committee may take those actions it deems appropriate with respect to such requests.

(j) Contempt Procedures. Citations for contempt of Congress shall be forwarded to the House, only if:

(1) reasonable notice is provided to all Members of the Committee of a meeting to be held to consider any such contempt recommendations;

(2) the Committee has meet and considered the contempt allegations;

(3) The subject of the allegations was afforded an opportunity to state either in writing or in person, why he or she should not be held in contempt; and

(4) the Committee agreed by majority vote to forward the citation recommendations to the House.

((k) Release of Name of Witness.

(1) Generally. At the request of a witnesses scheduled to be heard by the Committee, the name of that witness shall not be released publicly prior to, or after, the witness' appearance before the Committee.

(2) Exceptions. Notwithstanding paragraph (1), the chairman may authorize the release to the public of the name of any witness scheduled to appear before the Committee.

9. INVESTIGATIONS

(a) Commencing Investigations.

(1) Generally. The Committee shall conduct investigations only if approved by the full Committee. An investigation may be initiated either:

(A) by a vote of the full Committee;

(B) at the direction of the Chairman of the full Committee, with notice to the Ranking Minority Member; or

(C) by written request of at lease five Members of the full Committee, which is submitted to the Chairman.

(2) Full Committee Ratification Required. Any investigation initiated by the Chairman pursuant to paragraphs (B) and (C) must be brought to the attention of the full Committee for approval, at the next regular meeting of the full Committee.

(b) Conducting Investigation. An authorized investigation may be conducted by Members of the Committee or Committee Staff members designated by the Chairman, in consultation with the Ranking Minority Member, to undertake any such investigation.

10. SUBPOENAS

(a) Generally. All subpoenas shall be authorized by the Chairman of the full Committee, upon consultation with the Ranking Minority member, or by vote of the Committee.

(b) Subpoena Contents. Any subpoena authorized by the Chairman of the full Committee, or the Committee, may compel:

(1) the attendance of witnesses and testimony before the Committee, or

(2) the production of memoranda, documents, records, or any other tangible item.

(c) Signing of Subpoena. A subpoena authorized by the Chairman of the full Committee, or the Committee, may be signed by the Chairman, or by any Member of the Committee designated to do so by the Committee.

(d) Subpoena Service. A subpoena authorized by the Chairman of the full Committee, or the Committee, may be served by any person designated to do so by the Chairman.

(e) Other Requirements. Each subpoena shall have attached thereto a copy of these rules.

11. COMMITTEE STAFF

(a) Definition. For the purpose of these rules, ''Committee Staff'' or 'staff of the Committee'' Means:

(1) employees of the Committee;

(2) consultants to the Committee;

(3) employees of other Government agencies detailed to the Committee; or

(4) any other person engaged by contract, or otherwise, to perform services for, or at the request of, the Committee.

(b) Appointment of Committee Staff.

(1) Chairman's Authority. The appointment of Committee Staff shall be by the Chairman, in consultation with the Ranking Minority Member. The Chairman shall certify Committee Staff appointments to the Clerk of the House in writing.

(2) Security Clearance Required. All offers of employment for prospective Committee Staff positions shall be contingent upon:

(A) the results of a background investigation; and

(B) a determination by the Chairman that requirements for the appropriate security clearances have been met.

(c) Responsibilities of Committee Staff.

(1) Generally. The Committee Staff works for the Committee as a whole, under supervision and direction of the Chairman of the Committee.

(2) Authority of the Staff Director.

(A) Unless otherwise determined by the Committee, the duties of Committee Staff shall be performed under the direct supervision and control of the staff director.

(B) Committee Staff personnel affairs and day-to-day Committee Staff administrative matters, including the security and control of classified documents and material, shall be administered under the direct supervision and control of the staff director.

(3) Staff Assistance to Minority Membership. The Committee Staff shall assist the Minority as fully as the Majority of the Committee in all matters of Committee business, and in the preparation and filing of supplemental, minority, or additional views, to the end that all points of view may be fully considered by the Committee and the House.

12. LIMIT ON DISCUSSION OF CLASSIFIED WORK OF THE COMMITTEE

(a) Prohibition.

(1) Generally. Except as otherwise provided by these rules and the Rules of the House of Representatives, Members and Committee staff shall not at any time, either during that person's tenure as a Member of the Committee or as Committee Staff, or anytime thereafter, discuss or disclose:

(A) the classified substance of the work of the Committee;

(B) any information received by the Committee in executive session;

(C) any classified information received by the Committee from any source; or

(D) the substance of any hearing that was closed to the public pursuant to these rules or the Rules of the House.

(2) Non-Disclosure in Proceedings.

(A) Members of the Committee and the Committee Staff shall not discuss either the substance or procedure of the work of the Committee with any person not a Member of the Committee or the Committee Staff in connection with any proceeding, judicial or otherwise, either during the person's tenure as a Member of the Committee, or of the Committee Staff, or at any time thereafter, except as directed by the Committee in accordance with the Rules of the House and these rules.

(B) In the event of the termination of the Committee, Members and Committee Staff shall be governed in these matters in a manner determined by the House concerning discussions of the classified work of the Committee.

(3) Exceptions.

(A) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee Staff may discuss and disclose those matters described in subsection (a)(1) with—

(i) Members and staff of the Senate Select Committee on Intelligence designated by the chairman of that committee;

(ii) the chairmen and ranking minority members of the House and Senate Committees on Appropriations and staff of those committees designated by the chairmen of those committees; and

(iii) the chairman and ranking minority member of the Subcommittee on Defense of the House Committee on Appropriations and staff of that subcommittee as designated by the chairman of that subcommittee.

(B) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee Staff may discuss and disclose only that budget-related information necessary to facilitate the enactment of the annual defense authorization bill with the chairmen and ranking minority members of the House and Senate Committees on Armed Services and the staff of those committees designated by the chairmen of those committees.

(C) Notwithstanding the provisions of subsection (a)(1), Members of the Committee and the Committee staff may discuss with and disclose to the chairman and ranking minority member of a subcommittee of the House Appropriations Committee with jurisdiction over an agency or program within the National Foreign Intelligence Program (NFIP), and staff of that subcommittee as designated by the chairman of that subcommittee, only that budget-related information necessary to facilitate the enactment of an appropriations bill within which is included an appropriation for an agency or program within the NFIP.

(D) The Chairman may, in consultation with the Ranking Minority Member, upon the written request to the Chairman from the Inspector General of an element of the Intelligence Community, grant access to Committee transcripts or documents that are relevant to an investigation of an allegation of possible false testimony or other inappropriate conduct before the Committee, or that are otherwise relevant to the Inspector General's investigation.

(E) Upon the written request of the head of an Intelligence Community element, the Chairman may, in consultation with the Ranking Minority Member, make available Committee briefing or hearing transcripts to that element for review by that element if a representative of that element testified, presented information to the Committee, or was present at the briefing or hearing the transcript of which is requested for review.

(F) Members and Committee Staff may discuss and disclose such matters as otherwise directed by the Committee.

(b) Non-Disclosure Agreement.

(1) Generally. All Committee Staff must, before joining the Committee, agree in writing, as a condition of employment, not to divulge any classified information, which comes into such person's possession while a member of the Committee Staff, to any person not a Member of the Committee or the Committee Staff, except as authorized by the Committee in accordance with the Rules of the House and these rules.

(2) Other Requirements. In the event of the termination of the Committee, Members and Committee Staff must follow any determination by the House of Representatives, with respect to the protection of classified information received while a Member of the Committee or as Committee Staff.

(3) Requests for Testimony of Staff.

(A) All Committee Staff must, as a condition of employment agree in writing, to notify the Committee immediately of any request for testimony received while a member of the Committee Staff, or at any time thereafter, concerning any classified information received by such person while a member of the Committee Staff.

(B) Committee Staff shall not disclose, in response to any such request for testimony, any such classified information, except as authorized by the Committee in accordance with the Rules of the House and these rules.

(C) In the event of the termination of the Committee, Committee Staff will be subject to any determination made by the House of Representatives with respect to any requests for testimony involving classified information received while a member of the Committee Staff.

13. CLASSIFIED MATERIAL

(a) Receipt of Classified Information.

(1) Generally. In the case of any information that has been classified under established security procedures and submitted to the Committee by any source, the Committee shall receive such classified information as executive session material.

(2) Staff Receipt of Classified Materials. For purposes of receiving classified information, the Committee Staff is authorized to accept information on behalf of the Committee.

(b) Non-Disclosure of Classified Information.

Generally. Any classified information received by the Committee, from any source, shall not be disclosed to any person not a Member of the Committee or the Committee Staff, or otherwise released, except as authorized by the Committee in accord with the Rules of the House and these rules.

14. PROCEDURES RELATED TO HANDLING OF CLASSIFIED INFORMATION

(a) Security Measures.

(1) Strict Security. The Committee's offices shall operate under strict security procedures administered by the Director of Security and Registry of the Committee under the direct supervision of the staff director.

(2) U.S. Capitol Police Presence Required. At least one U.S. Capitol Police officer shall be on duty at all times outside the entrance to Committee offices to control entry of all persons to such offices.

(3) Identification Required. Before entering the Committee's offices all persons shall identify themselves to the U.S. Capitol Police officer described in paragraph (2) and to a Member of the Committee or Committee Staff.

(4) Maintenance of Classified Materials. Classified documents shall be segregated and maintained in approved security storage locations.

(5) Examination of Classified Materials. Classified documents in the Committee's possession shall be examined in an appropriately secure manner.

(6) Prohibition on Removal of Classified Materials. Removal of any classified document from the Committee's offices is strictly prohibited, except as provided by these rules.

(7) Exception. Notwithstanding the prohibition set forth in paragraph (6), a classified document, or copy thereof, may be removed from the Committee's offices in furtherance of official Committee business. Appropriate security procedures shall govern the handling of any classified documents removed from the Committee's offices.

(b) Access to Classified Information by Member. All Members of the Committee shall at all times have access to all classified papers and other material received by the Committee from any source.

(c) Need-to-know.

(1) Generally. Committee Staff shall have access to any classified information provided to the Committee on a strict ''need-to-know'' basis, as determined by the Committee, and under the Committee's direction by the staff director.

(2) Appropriate Clearances Required. Committee Staff must have the appropriate clearances prior to any access to compartmented information.

(d) Oath.

(1) Requirement. Before any Member of the Committee, or the Committee Staff, shall have access to classified information, the following oath shall be executed:

''I do solemnly swear (or affirm) that I will not disclose any classified information received in the course of my service on the House Permanent Select Committee on Intelligence, except when authorized to do so

by the Committee or the House of Representatives.''

(2) Copy. A copy of such executed oath shall be retained in the files of the Committee.

(e) Registry.

(1) Generally. The Committee shall maintain a registry that:

(A) provides a brief description of the content of all classified documents provided to the Committee by the executive branch that remain in the possession of the Committee; and

(B) lists by number all such documents.

(2) Designation by the Staff Director. The staff director shall designate a member of the Committee Staff to be responsible for the organization and daily maintenance of such registry.

(3) Availability. Such registry shall be available to all Members of the Committee and Committee Staff.

(f) Requests by Members of Other Committees. Pursuant to the Rules of the House, Members who are not Members of the Committee may be granted access to such classified transcripts, records, data, charts, or files of the Committee, and be admitted on a non-participatory basis to classified hearings of the Committee involving discussions of classified material in the following manner:

(1) Written Notification Required. Members who desire to examine classified materials in the possession of the Committee, or to attend Committee hearings or briefings on a non-participatory basis, must notify the Chief Clerk of the Committee in writing.

(2) Committee Consideration. The Committee shall consider each such request by non-Committee Members at the earliest practicable opportunity. The Committee shall determine, by roll call vote, what action it deems appropriate in light of all of the circumstances of each request. In its determination, the Committee shall consider:

(A) the sensitivity to the national defense or the confidential conduct of the foreign relations of the United States of the information sought;

(B) the likelihood of its being directly or indirectly disclosed;

(C) the jurisdictional interest of the Member making the request; and

(D) such other concerns, constitutional or otherwise, as may affect the public interest of the United States.

(3) Committee Action. After consideration of the Member's request, the Committee may take any action it may deem appropriate under the circumstances, including but not limited to:

(A) approving the request, in whole or part;

(B) denying the request; or

(C) providing the requested information or material in a different form than that sought by the Member.

(4) Requirements for Access by Non-Committee Members. Prior to a non-Committee Member being given access to classified information pursuant to this subsection, the requesting Member shall—

(A) provide the Committee a copy of the oath executed by such Member pursuant to House Rule XXIII, clause 13; and

(B) agree in writing not to divulge any classified information provided to the Member pursuant to this subsection to any person not a Member of the Committee or the Committee Staff, except as otherwise authorized by the Committee in accordance with the Rules of the House and these rules.

(5) Consultation Authorized. When considering a Member's request, the Committee may consult the Director of Central Intelligence and such other officials it considers necessary.

(6) Finality of Committee Decision.

(A) Should the Member making such a request disagree with the Committee's determination with respect to that request, or any part thereof, that Member must notify the Committee in writing of such disagreement.

(B) The Committee shall subsequently consider the matter and decide, by record vote, what further action or recommendation, if any, the Committee will take.

(g) Advising the House or Other Committees. Pursuant to Section 501 of the National Security Act of 1947 (50 U.S.C.§413), and to the Rules of the House, the Committee shall call to the attention of the House, or to any other appropriate committee of the House, those matters requiring the attention of the House, or such other committee, on the basis of the following provisions:

(1) By Request of Committee Member. At the request of any Member of the Committee to call to the attention of the House, or any other committee, executive session material in the Committee's possession, the Committee shall meet at the earliest practicable opportunity to consider that request.

(2) Committee Consideration of Request. The Committee shall consider the following factors, among any others it deems appropriate:

(A) the effect of the matter in question on the national defense or the foreign relations of the United States;

(B) whether the matter in question involves sensitive intelligence sources and methods;

(C) whether the matter in question otherwise raises questions affecting the national interest; and

(D) whether the matter in question affects matters within the jurisdiction of another Committee of the House.

(3) Views of Other Committees. In examining such factors, the Committee may seek the opinion of Members of the Committee appointed from standing committees of the House with jurisdiction over the matter in question, or submissions from such other committees.

(4) Other Advice. The Committee may, during its deliberations on such requests, seek the advice of any executive branch official.

(h) Reasonable Opportunity to Examine Materials. Before the Committee makes any decision regarding any request for access to any classified information in its possession, or a proposal to bring any matter to the attention of the House or another committee, Members of the Committee shall have a reasonable opportunity to examine all pertinent testimony, documents, or other materials in the Committee's possession that may inform their decision on the question.

(i) Notification to the House. The Committee may bring a matter to the attention of the House when, after consideration of the factors set forth in this rule, it considers the matter in question so grave that it requires the attention of all Members of the House, and time is of the essence, or for any reason the Committee finds compelling.

(j) Method of Disclosure to the House.

(1) Should the Committee decide by roll call vote that a matter requires the attention of the House as described in subsection (i), it shall make arrangements to notify the House promptly.

(2) In such cases, the Committee shall consider whether:

(A) to request an immediate secret session of the House (with time equally divided between the Majority and the Minority); or

(B) to publicly disclose the matter in question pursuant to clause 11(g) of House Rule X.

(k) Requirement to Protect Sources and Methods. In bringing a matter to the attention of the House, or another committee, the Committee, with due regard for the protection of intelligence sources and methods, shall take all necessary steps to safeguard materials or information relating to the matter in question.

(l) Availability of Information to Other Committees. The Committee, having determined that a matter shall be brought to the attention of another committee, shall ensure that such matter, including all classified information related to that matter, is promptly made available to the chairman and ranking minority member of such other committee.

(m) Provision of Materials. The Director of Security and Registry for the Committee shall provide a copy of these rules, and the applicable portions of the Rules of the House of Representatives governing the handling of classified information, along with those materials determined by the Committee to be made available to such other committee of the House or Member (not a Member of the Committee).

(n) Ensuring Clearances and Secure Storage. The Director of Security and Registry shall ensure that such other committee or Member (not a Member of the Committee) receiving such classified materials may properly store classified materials in a manner consistent with all governing rules, regulations, policies, procedures, and statutes.

(o) Log. The Director of Security and Registry for the Committee shall maintain a written record identifying the particular classified document or material provided to such other committee or Member (not a Member of the Committee), the reasons agreed upon by the Committee for approving such transmission, and the name of the committee or Member (not a Member of the Committee) receiving such document or material.

(p) Miscellaneous Requirements.

(1) Staff Director's Additional Authority. The staff director is further empowered to provide for such additional measures, which he or she deems necessary, to protect such classified information authorized by the Committee to be provided to such other committee or Member (not a Member of the Committee).

(2) Notice to Originating Agency. In the event that the Committee authorizes the disclosure of classified information provided to the Committee by an agency of the executive branch to a Member (not a Member of the Committee) or to another committee, the Chairman may notify the providing agency of the Committee's action prior to the transmission of such classified information.

15. LEGISLATIVE CALENDAR

(a) Generally. The Chief Clerk, under the direction of the staff director, shall maintain a printed calendar that lists:

(1) the legislative measures introduced and referred to the Committee;

(2) the status of such measures; and

(3) such other matters that the Committee may require.

(b) Revisions to the Calendar. The calendar shall be revised from time to time to show pertinent changes.

(c) Availability. A copy of each such revision shall be furnished to each Member, upon request.

(d) Consultation with Appropriate Government Entities. Unless otherwise directed by the Committee, legislative measures referred to the Committee shall be referred by the Chief Clerk to the appropriate department or agency of the Government for reports thereon.

16. COMMITTEE TRAVEL

(a) Authority. The Chairman may authorize Members and Committee Staff to travel on Committee business.

(b) Requests.

(1) Member Requests. Members requesting authorization for such travel shall state the

purpose and length of the trip, and shall submit such request directly to the Chairman.

(2) Committee Staff Requests. Committee Staff requesting authorization for such travel shall state the purpose and length of the trip, and shall submit such request through their supervisors to the staff director and the Chairman.

(c) Notification to Members.

(1) Generally. Members shall be notified of all foreign travel of Committee Staff not accompanying a Member.

(2) Content. All Members are to be advised, prior to the commencement of such travel, of its length, nature, and purpose.

(d) Trip Reports.

(1) Generally. A full report of all issues discussed during any travel shall be submitted to the Chief Clerk of the Committee within a reasonable period of time following the completion of such trip.

(2) Availability of Reports. Such report shall be:

(A) available for the review of any Member or Committee Staff; and

(B) considered executive session material for purposes of these rules.

(e) Limitations on Travel.

(1) Generally. The Chairman is not authorized to permit travel on Committee business of Committee Staff who have not satisfied the requirements of subsection (d) of this rule.

(2) Exception. The Chairman may authorize Committee Staff to travel on Committee business, notwithstanding the requirements of subsections (d) and (e) of this rule—

(A) at the specific request of a Member of the Committee; or

(B) in the event there are circumstances beyond the control of the Committee Staff hindering compliance with such requirements.

(f) Definitions. For purposes of this rule the term ''reasonable period of time'' means:

(1) no later than 60 days after returning from a foreign trip; and

(2) no later than 30 days after returning from a domestic trip.

(C) DISCIPLINARY ACTIONS

(a) Generally. The Committee shall immediately consider whether disciplinary action shall be taken in the case of any member of the Committee Staff alleged to have failed to conform to any rule of the House of Representatives or to these rules.

(b) Exception. In the event the House of Representatives is:

(1) in a recess period in excess of 3 days; or

(2) has adjourned sine die; the Chairman of the full Committee, in consultation with the Ranking Minority Member, may take such immediate disciplinary actions deemed necessary.

(c) Available Actions. Such disciplinary action may include immediate dismissal from the Committee Staff.

(d) Notice to Members. All Members shall be notified as soon as practicable, either by facsimile transmission or regular mail, of any disciplinary action taken by the Chairman pursuant to subsection (b).

(e) Reconsideration of Chairman's Actions. A majority of the Members of the full Committee may vote to overturn the decision of the Chairman to take disciplinary action pursuant to subsection (b).

18. BROADCASTING COMMITTEE MEETINGS

Whenever any hearing or meeting conducted by the Committee is open to the public, a majority of the Committee may permit that hearing or meeting to be covered, in whole or in part, by television broadcast, radio broadcast, and still photography, or by any of such methods of coverage, subject to the provisions and in accordance with the spirit of the purposes enumerated in the Rules of the House.

19. COMMITTEE RECORDS TRANSFERRED TO THE NATIONAL ARCHIVES

(a) Generally. The records of the Committee at the National Archives and Records Administration shall be made available for public use in accordance with the Rules of the House of Representatives.

(b) Notice of Withholding. The Chairman shall notify the Ranking Minority Member of any decision, pursuant to the Rules of the House of Representatives, to withhold a record otherwise available, and the matter shall be presented to the full Committee for a determination of the question of public availability on the written request of any Member of the Committee.

20. CHANGES IN RULES

(a) Generally. These rules may be modified, amended, or repealed by vote of the full Committee.

(b) Notice of Proposed Changes. A notice, in writing, of the proposed change shall be given to each Member at least 48 hours prior to any meeting at which action on the proposed rule change is to be taken.

ENCOURAGING PEACE TALKS IN SRI LANKA

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

Mr. PALLONE. Mr. Speaker, I rise this evening to encourage a new round of peace talks between the Sri Lankan Government and the Liberation Tigers of Tamil Eelam, LTTE, also known as the Tamil Tigers. Recent conciliatory actions by the Sri Lankan Government, as well as strong international support for peace, offers progress in finding a resolution to this conflict. However, the Tamil Tigers need to be encouraged to return to the negotiating table in order to continue this momentum towards peace.

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Sri Lanka, Mr. Speaker, is a nation that has suffered a tremendous loss of nearly 65,000 lives due to a long-standing conflict between Sri Lankans and the Tamil Tigers. Finally, on February 22nd of last year, the Norwegian Government brokered a cease-fire signed by both groups, but the peace process remains far from complete.

Excluded from a preliminary conference held in Washington this April, the Tamil Tigers then withdrew from participating in the Tokyo Donor Conference that is currently taking place. However, recent developments on the part of the Sri Lankan Government and the international community offer some progress. On Monday, the Prime Minister of Sri Lanka offered a provisional administrative structure for the Tamil majority region of the island, a step toward meeting a central demand of the Tamil Tigers for resuming peace talks.

The Tigers have said they would return to the negotiating table only if an interim administration in the Tamil-majority north and east was established, and the Prime Minister's proposal does just that. Having taken this important step, the Prime Minister must further lay out a more specific outline for addressing the Tamil Tigers' concerns.

The movement towards peace in Sri Lanka is further solidified by the vast influx of international support for peace on the island. At the Donor meeting in Tokyo, host Japan has already pledged $1 billion in assistance. Another $1 billion has been offered by the Asian Development Bank, and a spokesman for the European Union said it will contribute $290 million over the next 3 years. The U.S. has committed to $54 million in aid, and the World Bank recently announced before the conference that it would provide Sri Lanka with $200 million a year for 4 years.

Mr. Speaker, these donations show an enormous interest by the international community in rebuilding postconflict Sri Lanka and finding a peaceful resolution. Any aid will come with strict conditions in an effort to provide the international community with the ability to compel the Sri Lankan Government and the Tamil Tigers to move quickly toward resolving their conflict.

Mr. Speaker, I have to say the atmosphere for peace in Sri Lanka, I think, is right. Strong international financial and moral support for peace, and recent Sri Lankan compromises to the Tamil Tigers will hopefully lead to the Tamil Tigers' return to the negotiating table and, hopefully, eventually lead to a peaceful resolution in Sri Lanka.

REVISIONS TO THE FISCAL YEAR 2004 BUDGET RESOLUTION

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

Mr. NUSSLE. Mr. Speaker, in accordance with section 507 of H. Con. Res. 95 and consistent with section 310 of the Congressional Budget Act, I submit for printing in the CONGRESSIONAL RECORD revisions to the fiscal year 2004 budget resolution to reflect the enactment of H.R. 2, the Jobs and Growth Tax Relief Reconciliation Act of 2003 (P.L. 108–27).

Section 201 of the budget resolution (H. Con. Res. 95) directed the Committee on Ways and Means to report a bill that would increase outlays and reduce revenue by specified amounts. The conference report accompanying H.R. 2 exceeded the target for outlays, but reduced revenue by less than the amount allowed under the revenue target.

Since the overage in outlays was within 20 percent of the total cost of the bill and was offset on the revenue side, as permitted under section 310 of the Budget Act, the conference report was deemed to be in compliance with its reconciliation instructions.

I am, therefore, adjusting the 302(a) allocation to the Committee on Ways and Means to

reflect the enacted levels of budget authority, outlays and revenue in the tax bill. This will hold other measures assumed in the budget resolution harmless for the permissible variance in budget authority and revenue between the budget resolution and enacted tax bill.

Accordingly, the adjusted 302(a) allocation to the Committee on Ways and Means is as follows:

Fiscal year 2003: $14,576,000,000 in new budget authority and $14,512,000,000 in outlays.

Fiscal year 2004: $20,626,000,000 in new budget authority and $20,054,000,000 in outlays.

The period of fiscal years 2004–2008: $24,079,000,000 in new budget authority and $23,876,000,000 in outlays.

The period of fiscal years 2004–2013: $39,261,000,000 in new budget authority and $39,128,000,000 in outlays.

The changes in the Ways and Means allocation cause changes in the budgetary aggregates. Accordingly, I also modify the budgetary aggregates to the following levels:

Fiscal year 2003: $1,877,204,000 in new budget authority and $1,829,299,000 in outlays; $1,310,347,000 in revenues.

Fiscal year 2004: $1,880,555,000 in new budget authority and $1,903,502,000 in outlays.

The period of fiscal years 2004–2013: $19,632,020,000,000 in revenues.

Questions may be directed to Dan Kowalski at 67270.

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

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

BUSH ADMINISTRATION STRIPS VETERANS' BENEFITS

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

Mr. STRICKLAND. Mr. Speaker, these are difficult days for our country. The war is not over. We continue to have young Americans killed, almost on a daily basis in Iraq, and that country is very unsettled. But that is not why I rise to speak tonight. I rise to speak about soldiers of wars passed.

Just this past weekend in Marietta, Ohio, I attended a meeting of the Purple Heart Association; and later on that evening I spoke to a group of veterans who had served on the LST ships, those large ships that transported cargo and goods and soldiers, landing them on the beaches of Normandy and elsewhere; and I was struck by the fact that these veterans are full of goodwill and wonderful stories about their lives as members of the United States Armed Forces. They went through some hellish experiences, things that we can only imagine, I guess, in our darkest moments.

But I am concerned, Mr. Speaker, that this country, as rich as we are and as willing as we are to take care of the well-off among us, that this country is failing to live up to its obligations to our Nation's veterans. I would just like to share some of the actions that have been recently taken by the President and this administration that I think are so harmful to veterans.

Approximately a year and a half or so ago, the VA made a decision that they were going to increase the cost of a prescription drug that a veteran would have to pay from $2 a prescription to $7 a prescription, and I thought that was outrageous at the time, and I introduced legislation to roll back that decision. But the matter has gotten worse. In the President's budget which he sent to us a few months ago, in fact, the budget that he sent to us in January at the very time when we were preparing to send our young men and women into harm's way in Iraq, the President sent us a budget that asked that the cost of a prescription drug be increased, the copayment, not at $7, but that that be increased up to $15 a prescription. I felt like that was a shameful act. But the President also asked in his budget that the cost of a clinic visit be increased from $15 to $20. The President asked in his budget that there be an annual enrollment fee of $250 imposed upon Priority 7 and 8 veterans. It just seems as if it does not stop.

Then, Secretary Principi created a new priority group of veterans, which is now known as Priority Group 8, and these are veterans who do not have service-connected disabilities and are considered higher-income veterans. So the decision was made that these Priority 8 veterans simply could no longer enroll in the VA health care system. Now, how much money does one have to make in order to be considered a higher-income Priority 8 veteran? Well, in my district and in other parts of the country, one can make as little as $22,000 a year.

Now, Mr. Speaker, those of us who serve in this Chamber make over $150,000 a year, and maybe we just cannot understand what it is like to make $22,000 a year. Maybe we just think if one makes $22,000 a year, one is going to have all one needs to pay their bills and support their families and so on. But, quite frankly, I think it is shameful that at a time when we are giving huge tax breaks to the richest among us, that we would impose a $250 annual enrollment fee on veterans who have honorably served this Nation, whose incomes are as little as $22,000 a year.

Well, I do not know what the solution is. I know some of my colleagues in this Chamber say, well, we are never going to have these requests that the President has made passed into law; but just this week, I am on the Committee on Veterans Affairs, and just this week we had representatives from the Veterans Affairs Department before our committee. And I asked them if it was current administration policy to pursue these efforts to increase the cost of prescription drugs to impose an annual enrollment fee on veterans, and to exclude Priority 8 veterans from even participation in the VA system. I was told that it continues to be the intention of this administration of the President to pursue these efforts.

There is something else I would like to mention tonight. About a year or so ago, the VA put out a memo to all of its health care providers around the country, a memo which consists of, in my judgment, little more than a gag order. The memo basically said, and I am certainly paraphrasing, but what I am saying is true to the spirit of the memo, the memo said: too many veterans are coming in for service. We do not have enough money to provide those services, and so you are no longer able to actively pursue the dissemination of information to our veterans.

So, Mr. Speaker, these are troublesome things, and I would just ask that my colleagues in this Chamber rethink the direction in which we are going.

THE NEW APOLLO ENERGY PROJECT: A BOLD NEW ENERGY POLICY FOR AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the minority leader.

Mr. INSLEE. Mr. Speaker, I have come to the House Chamber tonight to talk about a tremendous opportunity for our great country, and it is an opportunity that follows in the historical path that John Kennedy set forth back on May 9, 1961. The path that I would like to talk about tonight is a path towards a new energy future for our country, a future that is befitting of this century and our technological progress and achievements we have made and can make in the next decade or two.

What we are going to be introducing for the House consideration in the next week or two is what we call the New Apollo Energy Project, because many of my colleagues and myself believe that our country deserves a bold, vigorous, aggressive new energy policy that is befitting of the technological wherewithal and talents of our country. So we are calling it the New Apollo Energy Project.

The reason we are calling it the New Apollo Energy Project is because we think that we need to follow in the footsteps of what John F. Kennedy did in challenging America right behind us. He came to this Chamber on May 9, 1961 as a young President, way back before computers, biotechnologies, solar cells, fuel cells; and he stood behind me and looked out to America and challenged America to put a man on the Moon within the decade, which was an extraordinary challenge to America in 1961. Computers were in their infancy, our rocketry was failing repeatedly at that time. At that moment, people

really scratched their heads to ask how a President could be so bold to challenge the country to reach such an ambitious goal. But Kennedy did make that challenge; and the Nation responded and, indeed, America put a man on the Moon within that decade.

I think Kennedy recognized some things about America that were perhaps unique in the world that others did not who were skeptical about that effort. He recognized the basic can-do spirit of the culture and the American economy; and he recognized that when challenged, Americans can deliver technologically much more than people would otherwise think so, and so he set forth a challenge and a promise to Americans that we could do this.

Many of us now believe that we need to do a similar thing in the field of energy, in our energy policy in this country. And we are very optimistic that if we set high bars and high goals for America, we can meet them just as we did in the original Apollo project.

So in the coming weeks, my colleagues and I will be introducing the New Apollo Energy Project, which will basically set three goals for a new energy policy of our Nation. Not one that is sort of captured by the artifacts of old industries, not one that is captured by a feeling that we just have to continue down the same old road, but one that can really lift our eyes and see a higher plane that will solve three challenges that America has now that we need a new policy to address. I will briefly mention what those three are.

Number one, we need to get our economy growing again. And to do that, America needs to seize the moment by the reins and create these new, clean energy technologies that can create high-paying jobs in America. So job creation is job number one for a new energy policy, and we are optimistic that that can be done; and I will talk about that in a moment.

Second, we set a goal in our national energy policy of reducing our contributions to global warming gases that are now polluting our atmosphere and causing a warming and climate change in our planet, and this is something we can do using new technology; and it is required if we want to avoid climactic changes to change the world as we know it.

Three, and perhaps as important, we set a goal to break addiction to Middle Eastern oil, which has enslaved us to certain policies over the last several decades that are now clearly not in our security interests.

□ 1945

It is time for America to become more self-reliant for fuel so that we do not have to make foreign policy decisions in one shape or another that are affected by our now current addiction for over half our fuel from those sources.

So those are the three goals we have set for the New Apollo Energy Project: Job creation, reduction of global climate gas emissions, and reduction of our dependence on foreign oil, particularly Mideast oil sources. And we believe all of them are very achievable.

Let me talk about the first goal which is job creation and getting a new sort of horizon, a new scope of our economy. And that is to adopt measures that will spur the development of these new high-paying jobs in high-tech industries. Let me talk about what some of them are.

Right now we have the capacity in this country which we are not using as much as we should, for instance, to create hundreds of thousands of jobs in the wind turbine industry, a growing industry, very rapidly growing industry, but one that needs to continue to increase that rate of acceleration. And what we are now proposing as one measure out of many is to continue the tax incentive, the investment tax credit for wind turbine construction in the United States. And we believe and the economics show very clearly that when we do this, when we foster the creation of this industry, we actually create ten times as many jobs as fostering megawatt creation instead of our old industries. For every megawatt of energy, a new renewable energy program develops, we create 10 times more jobs than if we do so in the old 19th century fossil fuel-based economic systems.

So now we believe we should be building wind turbines in the United States. We should have the high-paid jobs to do that and high-sector, high-skilled manufacturing jobs. We should be having construction jobs putting them on line. We should be building transmission facilities, all of which creates jobs in our country.

Now, we have the capability to do this. We are doing this in the State of Washington. Using an existing wind tax credit, we are building the largest wind turbine facility, farm essentially, in North America in the southeast corner of the State of Washington. It will create enough energy for 70,000 homes. And with the tax credit, it will do so on a market-based rate. But without the Apollo energy project or some other way, that tax credit will expire and we will lose the ability to create these jobs. And these jobs come at a very beneficial moment where the cost of wind turbine energy and a variety of other sources, I am just picking wind turbine to start this discussion, is becoming market based.

And, in fact, there is an interesting phenomenon that has occurred with many of our new technologies and that is what gives us such optimism about our new technologies. The fact of the matter is that over the last decade or so, the cost of energy produced by new technologies has come down dramatically. With every increase in the units of production of wind turbine, solar power, fuel cells, you name it, these new technologies, the cost of energy has come down dramatically.

I have a chart here that indicates how significant that reduction cost has been. For wind-powered energy, if you start in 1980, wind power was costing about 35 cents a kilowatt hour. Now, because of efficiencies caused by new production efficiencies, in 2000 that has come down to 2½, 3 cents; a reduction of a factor of 10 in the last 20 years. And it is projected that that will continue to decline in cost as we get efficiencies in production. And, of course, anyone who thinks about this knows why that happens. The more of these units you produce, we get economies of scale and the price comes down.

The same is the situation in photovoltaics and solar cells. In 1980, just 23 years ago, the price was over $1 a kilowatt hour. That has now come down to about 21, 22 cents, still above markets rates. But the interesting thing about this curve is you see this very significant reduction in cost as the rate of production has gone on up and it is predicted to continue on the downward slope. That is true for geothermal as well. It has had a reduction of more than half the cost in the last 20 years. And biomass, not quite as steep a curve, but still a reduction of cost.

What this shows us is we ought to be optimistic about, if we do engage in the production and incentivize the production of these new technologies, we will reduce cost, we will create jobs, and we will bring those jobs home.

This is a very important issue of bringing these jobs home. It is very clear for anyone who has thought about the future of the world's energy sources, is that the world is going to adopt new technologies. There is no question about that. The question is which countries are going to draw the jobs that are associated with that. And right now, unfortunately, it is not us as much as it should be.

In wind, many of these wind turbines are manufactured in Denmark. In hybrid automobile manufacturing, the cars are being manufactured in Japan. In photovoltaic manufacturing, a German company is leading the way, although much of the production is in the United States. And we are thinking about opening a Denmark-based turbine manufacturer as well. Those jobs need to be in America. Those jobs need to be American jobs. Just as we dominated the aeronautics industry for the last 50 years, as we created the first auto industry at the turn of the century, we need to create an industry that is homegrown and growing those jobs right here in America. And the New Apollo Energy Project is signed to do exactly that. And we do it by using the whole scope of tools that is available to the Federal Government to help to do that.

Number one is to use our tax policy in a way that will actually create jobs in a meaningful way. We have passed a lot of tax cuts in this Chamber recently, but virtually none of them have actually been directed to try to create new technologically driven jobs. And we need to use the Tax Code to create incentives for business people to create

these new industries, to give them a little leg up to a little start, and that is why we have created investment tax credits for a whole slew of these new industries, both to the manufacturers, photovoltaics, wind turbine, fuel-efficient hybrid vehicles, retooling costs to the auto industry. It is clear that our local auto industry is going to have some retooling costs to go to either hybrid vehicles or, in the long term, fuel-cell vehicles.

We believe we ought to give our local domestic auto industry tax breaks to help those retooling costs to build this new generation of vehicles to get this job done. But it should not be just for manufacturers; we need to take care of consumers and, ultimately, buyers as well. And that is why in the New Apollo Energy Project we have created incentives to give tax breaks for people to buy fuel-efficient vehicles. Significant incentives. And not only fueled vehicles, but also other energy producing materials including air-conditioning units, including tax credits in a new mortgage incentivized program to help people who build energy-efficient homes. We have a lot to do to get that done.

Now, let me just also indicate there is optimism in getting this job done in real life today. I would like to show a picture of a home in Virginia, and this is a home that was built about a year and a half ago in Virginia, which is not a tropical climate. We have a picture actually in the snow. And this is a home built for $365,000 which is relatively close, maybe a little bit more than actual building costs of a typical home of Virginia in this area, but this home is special. This home, which is a very comfortable home, I have actually been in it or actually the prototype, it was built on the Mall at one time to show us what it was like, or a very similar home. This home, using existing technologies today, has zero net energy consumption, zero net energy consumption.

It does so by using photovoltaic cells incorporated in the roof in the actual shingles to produce electricity. It has a very high degree of insulation value. It uses an in-ground heat pump, and it has a net energy consumption of zero because it can produce, and we one get a net metering bill which allows homeowners who generate electricity to feed their excess electricity back into the grid and to get a credit for doing that. This is a model for the future that is here today. And we need to utilize our Tax Code in a way that helps homeowners who want to recreate homes like this across America, which can happen today in a variety of climates, in almost every climate, to help reduce energy costs. To do that we need to pass a bill that is similar like that.

So what we are saying is this is not pie-in-the-sky, Buck Rogers, over the horizon, next decade. Some of these technologies may take a decade to, in fact, become cost effective; but some are on the market today with a very modest boost, and America ought to be doing it.

Now, I would like to turn to the second goal of the New Apollo Energy Project and that is the goal to reduce America's contribution to global warming gases. We unfortunately, with every other industrialized country, are contributing an enormous load of pollutants to the atmosphere; and what we are creating, all of us, we are putting out of the tailpipes of our cars and out of our smokestacks of our industry and a whole host of any fossil fuel-based system, we are putting millions of tons of carbon dioxide and methane into the air. And these are invisible gases. They really do not bother our eyesight but they will bother our climate in the long term.

To the extent that now science is irrefutable that the concentration of these gases are going to significantly increase during our lifetime, and I have a chart to indicate that, to indicate how significant this problem is, I have a chart of the levels of concentrations of carbon dioxide. And carbon dioxide is a global warming gas basically. The levels of carbon dioxide you will see are relatively consistent for 1,000 years, starting at 800,000. Then we get to the Industrial Age of 1800. We started burning coal and other fossil fuels. And when we do that, we create carbon dioxide and it goes out to the atmosphere. We dump it for free. We treat the atmosphere sort of as a big garbage dump. When that happens, those rates of concentration of carbon dioxide started to go up dramatically, and now in the early 2000s start to rise in almost a vertical fashion.

So for thousands of years we had levels in the 240 parts per million range, which are now going to be skyrocketing in the next century, are anticipated to double at least in the next century. This is doubling of an unprecedented occurrence in the history of the world. And the reason that is significant is that carbon dioxide acts, in a manner of speaking, like a pane of glass or a blanket, depending on how you look at it.

The way carbon dioxide works is that carbon dioxide allows the rays of the sun to come in. Because the rays of the sun come in, there is ultraviolet light. But when the energy bounces back, it bounces back at the infrared spectrum. It is a different spectrum of light. And carbon dioxide traps infrared light. So as a pane of glass works, it traps, if you will, the infrared radiation from going back into space and it warms the planet. And it is a really good thing we have some carbon dioxide in our atmosphere because we would have a very cold planet if we did not have it.

But the problem is if we are going to double the rate of carbon dioxide in the atmosphere, it is going to, as you can imagine, trap enormous amounts of energy. And we are already seeing the ramifications of that. The 5 hottest years in recorded history have been in the last 10 years; 1999, I believe, probably was the hottest year in record in the last 10,000 years. And we saw extraordinary damage associated with the change in our climate already.

We have seen significant changes right here in America. We have seen the glaciers in Glacier National Park disappear. It is predicted in the next 75 years, if we keep going at the rate we are going, there will not be any glaciers in Glacier National Park.

In the Arctic, dead Intuit Indians are popping out of the ground because the tundra is melting and the caskets are popping out of the ground.

□ 2000

In the Arctic ice sheet, it could be reduced by 40 percent in the next couple of decades and in depth reduced 40 percent, almost in half; and it is reduced at least 10 percent already.

We are seeing huge increases in very severe hurricane thunderstorm activity so that the insurance losses in the domestic industry have gone up something like 40 or 50 percent in the last several years.

So we are seeing now just a little taste of very significant changes in our climate that are going to continue to go up if we do not do something about it.

What we have proposed, we have introduced in the new Apollo Energy project, we can do this better than this. We have achieved really dramatic results, improving our environment in the last 2 decades because the Federal Government's got busy and it has done some things to clean our air. We have got a lot cleaner air than we did 25 years ago. In sulfur dioxide and various particulate matter, we have made some real strides because the Federal Government has acted, but in this situation Congress has sort of adopted the pose of an ostrich. We have put our heads in the sand, our tails in the air, rather than the American eagle; and it is time for us to pull our heads out of the sand and do something about the climate, and there are some things happening here in Congress.

We have this proposal we have suggested in the House. In the other Chamber there will be an energy debate in the next week or two. There will be a very important vote on trying to create a cap to try to limit the amount of CO_2 that goes into the global atmosphere, and that is something that is in America's long-term interest. We hope that the other Chamber will show some action in that regard.

What we have done is we have used the tools in the Federal tool box to try to reduce the rate of global gas emissions in a way that will preserve the way we live because Americans still want to continue to enjoy easy, accessible transportation, safe transportation. We want to have enjoyable homes. We do not want to change dramatically our lifestyle, and we can do that if we will make some smart investments in new technology.

So what we have done is to try to create incentives to use new technology to reduce global emissions in a

variety of ways. One, we suggested that we, in fact, improve the efficiency, for instance, of our air conditioners which have enormous improvements we can make of the efficiency of air conditioners to reduce the demand of electricity and reduce the fossil fuel we burn to create electricity.

We think people who buy autos that are efficient ought to get a tax break to try to reduce the amount of CO_2 emissions we put into the air. We think that we ought to use the regulatory basis to improve the efficiency of our automobiles through the government acting as well as we have to improve the CAFE standards which we stopped in the early 1980s.

It is interesting, we improved the mileage of our cars dramatically in the 1970s, but we stopped in 1983; and we actually have gone backwards in the mileage of our cars. I mean, think about that. At the very time we have created the world's best computers, the world's most vibrant biotech industry, we have gone backwards in what our auto industry has given us for mileage of our cars. That is an abysmal record, and we ought to improve this and get back on this track of improving the fuel efficiency of our vehicles; and that is very possible. That is part of our new Apollo Energy Project.

Now I want to say, too, it is very important to realize there are no silver bullets to any of the challenges we have here tonight, and we recognize that. There is no one technology that is going to solve all of our energy challenges. We believe we have to have a very broad-based approach to do the research and development work that it is going to take to meet our challenges, and that means that we just do not look at wind or solar or geothermal. We think about things outside of the box, if you will, one of those being, for instance, clean coal technology.

There may be a way for us to burn coal and trap, or as the scientists use it, a $24 word, sequester the carbon dioxide as it comes out of the smokestack. If we can sequester the carbon dioxide from coal, we can continue to use coal without, in fact, increasing our CO_2 emission, and we have an enormous supply of coal in this country.

There are other environmental challenges we have to address with this mining; but this is something we need to explore, and we need to have sort of an all-comers approach when we are doing research and development to look at all the potential energy efficiencies and new technologies that we can use in this regard. So we have taken an all-comers approach.

The third goal that we have is to break our addiction from Middle Eastern oil, and I do not think anyone has to be a foreign policy genius to understand that we have to act. Not just Republicans or Democrats, multiple administrations have skewed our foreign policy by necessity because of our addiction to oil. We certainly have not been as aggressive in insisting on Saudi Arabia's ending the terrorist threat to this country as we should have been, and one of the reasons is because of our addiction to Saudi oil. It has made us lethargic in multiple administrations in dealing with this terrorist threat which now we are starting to actually make some improvements on. I heard today that Saudi Arabia is going to start to take some steps finally, way too late, to cut off financing for terrorism; but we need to get rid of this anchor on our foreign policy.

We need to make foreign policy decisions based on the security of Americans, rather than the security of the oil industry. To do that we have got to reduce our dependence on Middle Eastern oil; and what we have suggested is to set a goal, set a goal of saving or eliminating 600,000 barrels of oil a day, oil we otherwise would buy from the Mideast, by the year 2010; and that is an achievable goal using these new technologies. We set the goal of eliminating 2.4 million barrels of oil a day by the year 2015; and assessments by the Department of Energy have indicated that if we use our smarts and use these new technologies, we can, in fact, break that addiction to Middle Eastern oil if, in fact, we will use our heads.

Certainly, jobs are a good reason to do this. Our environment is a good reason to do this, but our personal security is an excellent reason to do this; and we ought to do that for all three reasons. Therefore, we set those effective goals that we would like to achieve.

Now we realize that we do not have all the answers starting out in this effort. So we have also essentially given future administrations flexibility to act; and in our bill, we have basically said that if these goals are not being met in a timely fashion, if we are not reducing our CO_2 emissions down to 1990 levels, as is our goal, if we are not reducing our oil by 600,000 barrels a day, as is our goal, if we are not on a path to create those millions of jobs that we want to create, we would give the administration further flexibility to, in fact, act in ways that it sees fit and certain efficiency measures to improve our productive capability to continue on the path of jobs and improve our efficiency because it is going to be a flexible standard in that regard.

In conclusion this evening, Mr. Speaker, we are very optimistic about our country's energy future. We are only optimistic if the U.S. Congress starts to act in a progressive way that really is in keeping with the can-do spirit of America. There are some naysayers who would say that we are just not smart enough, bright enough, creative enough, we are just going to have to sort of stick with the technologies that were invented in 1899, which much of our industrial energy policy we are still using; but we are the folks who believe that America is brilliant because we keep changing. America is successful because we are not sort of shackled by the ideas of the past or the technologies of the past. So we believe that we ought to adopt this new approach.

I will be working with my colleagues to pass the new Apollo Energy Project. I do not know if it will be this year; but we believe it is going to happen, and it must happen because this is the destiny of the United States of America, the greatest country on Earth.

FEDERAL PRISON INDUSTRIES

The SPEAKER pro tempore (Mr. FRANKS of Arizona). Under the Speaker's announced policy of January 7, 2003, the gentleman from Michigan (Mr. HOEKSTRA) is recognized for 60 minutes as the designee of the majority leader.

Mr. HOEKSTRA. Mr. Speaker, I want to spend a few minutes talking about an issue that I have got a passion for because it impacts workers around the country, and then I am going to be joined by my colleague from Minnesota to talk about another issue that we feel passionate about because it affects those folks who want to buy prescription drugs.

The first thing I want to do is I want to introduce my colleagues to a Federal program. Actually, I want to introduce my colleagues to a company in the United States of America, a company that is growing rapidly; and its automotive component sector last year grew by about 216 percent, and its office furniture segment grew by over 30 percent last year and grew in textiles, grew in a wide variety of different product categories that it produces. An outstanding company, creating jobs.

You kind of say who is this company, who is this great company? We are having some economic tough times around the country. Who is this company that is growing, growing in a number of different market segments and what is its secret to being competitive and growing in a tough economy? What is it doing that maybe other U.S. companies ought to be taking a look at?

The company that we are talking about tonight is called Federal Prison Industries. You say, excuse me, Federal Prison Industries, they are growing jobs? And the answer is, absolutely yes. Federal Prison Industries is one of these government monopolies. They enjoy an advantage which is called ''mandatory sourcing''; and it means that if the Federal Government is looking at buying a product, whether it is shirts for the military, whether it is office furniture for the Federal Aviation Administration, or whether it is automotive components for its fleet of cars, the Federal Government is required to buy these products from Federal Prison Industries regardless of the price, regardless of the quality, regardless of the delivery schedule; and this has enabled Federal Prison Industries, or UNICORP as it is called, to become one of the fastest-growing companies in America today.

So as in certain parts of the country in my district or right outside of my

district, unemployment has now reached 8 percent, the highest in 11 years, home to the largest office furniture manufacturing company in America. You wonder how the Federal Government can grow office furniture by double digits in the last 12 months while the industry itself over the last 30 months has probably declined by 30 to 40 percent. Let's see, if the Federal Prison Industries is growing by double digits, the private sector is declining by double digits on an annual basis, what is happening?

What is happening is that Federal Prison Industries is going in and taking some significant business and using their preferred or mandatory source capability, is putting people in the private sector, we call them taxpayers, we call them workers, putting them out of jobs.

Just recently, Federal Prison Industries took this form of competition that they have to a new height. What happened was there was a project, and this was the Federal Aviation Administration requiring $6 million, roughly $6 million of new office furniture for their facilities. It is kind of like, yes, that is a good sized project that any one of a number of private sector companies would be thrilled to get. It is like, yes, we are going to go out and bid for that project.

So Federal Aviation Administration put this project out to bid and a number of companies went through the design process, the specification process, the pricing process and they put in a bid. The Federal Aviation Administration opened the bids and company A won the bid. The company was excited, like yes, we need this business, we have laid off workers with up to 25 years of seniority, up to 28 years of seniority, $6 million may provide the opportunity, it is not going to solve their problem, but it may provide the opportunity to put some of these people back to work.

Are these people back to work? No, because as Federal Prison Industries came into the process, this is very unique. This company had won the bid, ready to go to work and at the last minute Federal Prison Industries walks in and says no, no, no, excuse me, you do not understand the bidding process when you are doing business with the Federal Government.

□ 2015

They said first round of bidding is you guys out in the private sector; the second round of bidding is we get to come in as Federal Prison Industries and take a look at the winning bid, and then we have a second round of bidding. Of course the second round of bidding is one company, Federal Prison Industries. And in this case Federal Prison Industries came in and literally copied the winning bid to the penny.

So they said we matched the bid price of the private sector, we are taking this business. And so now some folks in west Michigan who were hoping to go back to work are not going to have the opportunity to go back to work, but we are going to be creating jobs for folks in Federal prisons.

It is not only the office furniture industry. Federal Prison Industries are huge in textiles. They put a number of textile companies out of business. Just last fall, Hathaway Shirts in New England closed. One of the reasons was one of the dress shirt contracts put out by the Air Force went not to Hathaway Shirts, went to Federal Prison Industries. This time, though, it was not that a few workers would be laid off, the company shut its doors and Hathaway Shirts, at least being made in that plant, are no longer made in the United States. Hathaway Shirts tried to compete. Federal Prison Industries was the organization that put the last nail in the coffin that resulted in the factory closing and these people being put out of work.

It is absolutely outrageous what is going on and what is going on with this Department of Justice, that this Department of Justice believes that the best way to rehabilitate Federal prisoners is by putting taxpayers out of work, and that the best way to compete and create high-quality and high-paying jobs in America today is to create new jobs for prisoners. And they are talking about building 11 new plants, new jobs for prisoners that are high-quality, high-paying jobs that pay in the neighborhood of 23 cents to $1.15 an hour. Of course they pay no benefits.

They pay no taxes. Think about it. They pay absolutely no local taxes, so that is an advantage. They pay no State taxes, no sales taxes or Federal taxes. They do not pay any taxes. They put taxpayers out of work. It is a huge, huge problem. They are doing this in a whole series of different industries.

Look at the kinds of things that they make. Clothing and textiles is a business group. Electronics is a business group. Graphics business group; fleet management; vehicular components business group; industrial products business group; office furniture business group; and recycling activities business group.

They have declared war on American manufacturing, American manufacturing that is already under attack by low-cost producers in China and other parts of Asia, and it is very interesting. My colleagues come to the floor and they rail against Chinese prison labor, saying these people work in unsafe conditions. It is interesting. American prisoners, do they have the protection of OSHA? Absolutely not. So they are low paid, and work in unsafe conditions. They are government sponsored, just like our prisoners are government sponsored. So our manufacturers not only have to compete against low-cost manufacturing from overseas, they are also now in the process of having to fight their own government, their own Department of Justice.

Like I said, this is an industry that this Department of Justice has said is going to be a growth industry for the Federal Government. They anticipate growing. And in office furniture alone, and this is an industry that has declined 30–40 percent, one would think that Federal Prison Industries would realize this is an industry that is facing some hard economic times, and that they might slack off in terms of the amount of business that they would take out of the Federal Government and let the private sector compete for more of this business. But when we look from 2002 to 2003, what has Federal Prison Industries' strategy been in office furniture? They are authorized to grow their business in office furniture by an additional 50 percent.

Office furniture workers in America who are competing against Canada, China, Korea, Indonesia, now are also competing against their own Federal Government, and their own Federal Government is not even giving them the slightest of a break and saying we have got the opportunity, we are going to increase our volume by up to 50 percent. They are looking for the growth numbers.

Federal Prison Industries, taxes; and this is from their annual report. As a wholly-owned corporation of the Federal Government, Federal Prison Industries is exempt from Federal and State income taxes, gross receipts taxes, and property taxes. That is not a bad way to run a business.

We have a reform proposal in place. The interesting thing for the reform proposal, we are not asking for Federal Prison Industries to be eliminated, although some of my colleagues would say that they should not be competing for these jobs, and that is exactly what Congress said back in the 1930s when they created Federal Prison Industries. They said they should have minimal to no impact on free labor, they should not be competing with the private sector. But they do.

All I am asking is let the workers in west Michigan, Minnesota, New England, and other States in the South, let them just compete for the opportunity to sell their products. Right now they cannot compete. What are the businesses that they are in? Clothing and textiles, $157 million; electronics, $116 million. They grew from $116 million to $132 million in electronics. Fleet management, automotive, which is an industry facing tough competition from overseas, and now they are facing it from their own government. Fleet management; in 2001 Federal Prison Industries grew their automotive component sales from $31 million in 2001 to $99 million in 2002.

Thank you very much, Federal Prison Industries. I wonder how many private sector workers they put out of work when they grew their business by $68 million?

Office furniture, they went from $174 million to $217 million. They are authorized for another expansion of up to 50 percent in 2004.

Services, they grew from only $8 million, but they are on the right track as

far as they are concerned. They are up to $12 million.

Mr. Speaker, this is an area that needs congressional oversight. When American workers are under attack, I think it is time for this Congress to stand up and say we are going to stand up for American workers, we are going to stand up for American taxpayers. It is the right thing to do. And we are going to allow these folks to compete, to keep their jobs and compete against Chinese workers, to compete against Korean workers, and we are going to allow them to compete against American prison labor, labor that is paid 23 cents an hour to $1.15 an hour in tax-free facilities which have no OSHA safeguards. It is the right thing to do.

We need a manufacturing base in the United States. And our reform bill does not say we are not going to have prisoners do nothing. We increase technical training. We increase the amount of work opportunities that we give to prisoners, but we say they should make things that will be used in the not-for-profit sectors. That is what Michigan does in its prisons. It does not compete against the private sector. We should take that kind of model and apply it to the Federal Government and Federal Prison Industries.

It is time for this Congress to act. We are looking forward to the Committee on the Judiciary moving a reform bill that does exactly that, allows American workers to again compete for their jobs, compete for the jobs that enable them to provide health care and a living to their families.

I walk around my district and I cringe every time when I run into a worker who says, I just got laid off; recognizing that as that person has gotten laid off, we have put people in our prisons to work for maybe the first time. But it is totally inappropriate for this government, for this Department of Justice to believe that its best strategy for dealing with inmates is to put them to work at the expense of American workers.

Mr. Speaker, I welcome one of my colleagues who is here tonight and change the subject. This is an issue that my colleague, the gentleman from Minnesota (Mr. GUTKNECHT), and I have a passion on because it addresses a real concern that we have, and again it is about competitiveness. I know my colleague is a firm believer in competitiveness, whether it is supplying products to the Federal Government or whether it is providing prescription drugs to our senior citizens or to other Americans. It is not just senior citizens.

One of the things that we face in America today is the gentleman and I both live in border States. One of the things that is happening in border States on the north and the southern borders of the U.S. is that consumers are rather smart. What are they doing?

Mr. Speaker, I yield to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman, and it is not just Minnesotans and Michiganers who are smart. One of our favorite Presidents, Ronald Reagan, said it best: Markets are more powerful than armies. Starting several years ago, consumers figured out that they could buy their prescription drugs cheaper in Canada and Mexico, and now they know in Europe and almost every other industrialized country in the world they can buy the same drugs for dramatically less.

Mr. HOEKSTRA. Mr. Speaker, if my colleague will explain to me, many of these drugs are manufactured in the U.S. We are the largest market in the world for most of these prescription drugs. One would think in the largest market in the world, and when the drugs, many of them are made in the United States, we would not be paying a premium, we would be paying the lowest price. That is not the case?

Mr. GUTKNECHT. Mr. Speaker, as they used to say on The Tonight Show, you would be wrong, oh, great one. That is the irony. We are the world's best customers by any measure, and some people have challenged some of the sources, but nobody challenges the numbers. The numbers speak for themselves. Even now the pharmaceutical industry acknowledges that the world's best customers, the Americans, pay the world's highest prices for their drugs.

□ 2030

We are not just talking about a little bit more.

Mr. HOEKSTRA. We pay the highest prices. We do the development, the testing, we do all the market research and all of that here in the United States. We are the largest market. These drugs are made here, and we pay the highest prices.

Mr. GUTKNECHT. The gentleman is correct. It is one of the mysteries that we as public policymakers have been wrestling with for several years trying to figure out why is it the world's best customers pay the world's highest prices. It seems to me that we have an obligation as policymakers not only to try and get answers to those questions but, more importantly, to try and do something about it. I think the reason is, if I can just say this, if you go to Tokyo, Japan, and this is starting to change in Japan because Japan is starting to open up its markets, but for many years, if you went to Tokyo and you wanted to have a good steak——

Mr. HOEKSTRA. You would never want a good steak in Tokyo. It is too expensive.

Mr. GUTKNECHT. It would be over $100. The same steak that you could get in Grand Rapids, Michigan, for $15 or the same steak that I could get in Rochester, Minnesota, for $15, you would pay over $100 in Tokyo. Another example is blue jeans in the former Soviet Union. The Soviets decided that people did not need blue jeans, did not want blue jeans, and therefore they were not going to produce blue jeans in the former Soviet Union. So a black market started to develop for blue jeans. The price reached over $100 a pair for blue jeans. The example is analogous because any time you have a captive market, as they have in Japan with beef or they had in the Soviet Union with blue jeans, you will find that market forces will just go amuck because you are a captive market. Americans are being held captive not so much by the big pharmaceutical companies, but by our own FDA.

Mr. HOEKSTRA. I am assuming that the differences in price between the U.S. and Canada or the U.S. and Europe are not that significant. You would think that with the trade agreements and those types of things that we have that there would be some leveling out of prices. You might be able to explain some of the differences because of currency fluctuations and maybe some government regulations from one country to another, but I would not expect that you would find major differences in prices for products that many times were made in the same factory and just distributed from one point and distributed around the world. I am wrong again?

Mr. GUTKNECHT. Wrong again. Let me give you an example. This is a drug that my 85-year-old father takes. It is called Coumadin. Coumadin is a wonderful drug. It actually was developed at the University of Wisconsin.

Mr. HOEKSTRA. It was probably funded with some government research dollars.

Mr. GUTKNECHT. It was paid for by the taxpayers. Originally, as it was developed, the drug was called Warfarin. They are basically identical drugs, but Warfarin is used as a rat poison. It is a blood thinner. What they do is they give it to rats, rats will eat it, they go back to their little dens, they bleed to death internally, no mess, no fuss. It kills rats. They found that this made a great blood thinner for human beings as well.

Let me give you the differences in what Americans pay. The average price for this package of Coumadin in the United States is about $84.

Mr. HOEKSTRA. I think you have just given me more information on Coumadin than I would like to have. I really did not want to know all of that. Let us just talk about the price.

Mr. GUTKNECHT. Warfarin, Coumadin, developed at the University of Wisconsin. The price here in the United States, about $84 for this package. The price in Canada, only $25. But here is the real kicker. Over in Europe they buy this same drug, as a matter of fact we bought this drug in Munich, Germany, for about $16. About $85 in the United States; $16 in Germany. Here is the other interesting thing. People say, well, they have price controls in Canada. To a certain degree that is true. I am not one that supports price controls and neither, I think, do you.

Mr. HOEKSTRA. Not at all.

Mr. GUTKNECHT. Here is the interesting thing. They do not have price

controls in Germany. What they do in Germany is what we ought to do here, and that is they allow the pharmacists to shop for the best price.

Mr. HOEKSTRA. Whether it is from the Swiss or Spain or Canada or the U.S. Again, I am assuming many times that that product is going to be built in a factory perhaps even in the United States; or a single or a couple of factories are going to supply the world market for this product.

Mr. GUTKNECHT. There are only 600 FDA-approved facilities that make prescription drugs in the world. They have to be made in an FDA-approved facility. So, yes, these drugs essentially, this probably came out of a plant in the United States. Or it may have come out of a plant in Puerto Rico, which is part of the United States. Or it may have been made over in Europe somewhere, but they supply essentially the entire world from that plant. It is much more efficient.

I also have in my hand something, and it bothers me, some of these prices because we bought 10 and if anybody doubts my research, we have the receipt for the 10 largest-selling drugs. We bought these at the airport pharmacy in Munich, Germany. The total for this worked out to about $373 American. Those same drugs, we checked the prices here in the United States of America, and again cash prices, walking in off the street, we are not talking about going to an HMO or any of these other things, the cash price was almost $1,100 in the United States, more than double, almost triple the price for the same 10 most popular drugs.

Let me give you this example. This is the one that really chaps my hide. This is a drug called Tamoxifen. It is a very effective breast cancer drug. But it was developed essentially with Federal taxpayer dollars at the National Institutes of Health. They paid for almost all the research. This drug in the United States, this package of drugs sells for $360. We bought it at the Munich airport pharmacy about a month ago for $59.05 American. $360 here, $60 there. Worse than that, the American taxpayers paid for almost all the research costs on this drug.

Mr. HOEKSTRA. And you do not have to go to Germany. I met, I think, one of your constituents today or at least a woman from Minnesota today who I thought was dynamic. What was her name, Kate?

Mr. GUTKNECHT. Kate. Kate Stahl.

Mr. HOEKSTRA. Kate Stahl. She wants to get arrested. Why would she get arrested?

Mr. GUTKNECHT. Kate Stahl is a true American patriot. Once in a while you meet some people like this; and you just say again, as Ronald Reagan said, people who say there are no more American heroes, they do not know where to look. We met an American hero today. Her name is Kate Stahl. I want every Member of Congress to get a copy of last week's edition of the U.S. News and World Report, and there is a special report by Susan Brink, the title of which is ''Health on the Border, Elderly Americans head north and south to find drugs they can afford.'' It features Kate Stahl who works with the Senior Federation in the State of Minnesota. The caption above her little picture here says, ''I'd like nothing better than to be thrown in jail.'' She stands on the shoulders of the Sons of Liberty who threw tea in Boston Harbor and said, enough is enough. She calls herself a drug runner. She goes to Canada to buy drugs for her friends.

Mr. HOEKSTRA. What does she do that would get her thrown into jail? Going to Canada or going to Mexico or going to Europe is not illegal to buy these drugs, is it?

Mr. GUTKNECHT. The FDA says it is.

Mr. HOEKSTRA. All right. Wrong again?

Mr. GUTKNECHT. Wrong again. They treat Kate Stahl and literally almost a million, or more than a million, Americans just like her, they treat her like a common criminal. This is an 84-year-old grandmother who is only doing this to try and save her friends and neighbors some dollars on the cost of prescription drugs. If one of them is suffering from breast cancer, $360 is a lot of money. They can afford $60, but $360 is a lot of money. And it repeats itself, with all the drugs. Zoloft, Zocor, we have got all the drugs. Glucophage. This is outrageous what they charge for Glucophage here in the United States. This drug has been around a long time. It is a miracle, marvelous drug. It really helps people with diabetes. But the bottom line is Americans are required to pay way too much because they are a captive market.

Mr. HOEKSTRA. The interesting thing, reclaiming my time, why is it so critical that we are talking about this tonight? The reason that my colleague from Minnesota and I are talking about this, and how many years has the gentleman been working on this?

Mr. GUTKNECHT. Longer than I want to remember. Actually I got started with this about 5 years ago. I always tell people that I have moved from fan to fanatic. Winston Churchill said a fanatic is one that cannot change his mind and will not change the subject.

Mr. HOEKSTRA. Which is kind of where I am with Federal Prison Industries. I have never been a fan of them, but I have been fanatical about it just because of the sheer injustice. But this is absolutely critical right now, just like the Federal Prison Industries because we are in a manufacturing slump right now and we need every manufacturing job we can get. But this is critical because we are looking at creating a Federal benefit, expanding the Medicare program to include prescription drugs. Actually, we could probably take care of much of the problem with prescription drugs if we would just deal with the pricing.

That is the scary thing. You cannot create a Federal entitlement for prescription drugs and just promise folks that you are going to, and help folks that probably genuinely need it. We are going to do that and we are going to feel good about doing that; but at the same time as we provide them with that benefit, you cannot ignore the price side. Because if you ignore the price side, we are just going to explode the cost. And if we get at the price side, we can offer more benefits to more individuals, or we can offer the same benefits at a much lower cost to the American taxpayer. That is why we need to work on the benefit side at the same time that we are working on the price side, or we are going to find ourselves with a program that we just cannot afford.

Mr. GUTKNECHT. Absolutely. Let me just talk about this Glucophage. This package of Glucophage in the United States sells for over $100. We bought it in Munich, Germany for $5. $5.

Mr. HOEKSTRA. Let us run this by again. $100 in the U.S. and $5 in Germany. This may be one of the bigger differentials of the drugs that you bought.

Mr. GUTKNECHT. I must admit I am using it as an example because it is probably the most egregious example, with the possible exception of Tamoxifen, which the taxpayers paid for.

Mr. HOEKSTRA. But just the sheer difference between these, for $5 in Germany to $100. The thing is, for anybody who has traveled, you typically do not go to an airport and expect best prices. It would be interesting what would happen if you went to a pharmacy in Germany and see whether you would be paying more or less. But the bottom line is an American could be in Munich and could buy that, the same package that when they left the U.S. it would cost them $100; if they needed a refill, they would be paying $5 in Germany.

Mr. GUTKNECHT. That is the point. If we are going to have a prescription drug benefit for seniors, which I think virtually everyone agrees we should, we ought to first of all deal with the issue of affordability. Because just shifting the responsibility of buying $100 Glucophage onto the shoulders of the taxpayers really makes no sense, because ultimately we are going to bankrupt our children if we make a stupid mistake and do not deal with this issue of affordability in price. Listen, we are Republicans. I am a Republican. I do not think the word ''profit'' is a dirty word, but I do think the word ''profiteer'' is. I think it is time if we are going to get in this business, we ought to demand some accountability from the pharmaceutical industry.

Mr. HOEKSTRA. The other thing that happens on this, there is a ripple effect, because when you go to Canada, and we are competing against Canada for automotive manufacturing, furniture manufacturing, when a Canadian worker needs to pay for health care and if prescription drugs are a

part of their benefit, all of a sudden providing that benefit to a Canadian worker is a whole lot cheaper than it is providing that same benefit to a UAW employee or retiree in Detroit, Michigan, or to an active worker. That just says we are making it more expensive.

If you talk to your manufacturing people today, what are they complaining about? They are complaining about the escalating cost of health care which many and most people say is being driven primarily by the escalating cost of prescription drugs. The cost of prescription drugs is one thing. The cost of health care is another. But that has a ripple effect into other parts of our economy, which makes it more difficult for our workers to be competitive against other workers around the world. Again, Germany, they are buying that stuff for $5. So for a German company or the German Government to provide that benefit to a factory worker is $5. Here it is $100. Where do you think it is going to be more expensive to manufacture a car or anything else? It is going to be more expensive here in the United States. So it has a ripple effect. It is not just prescription drugs. It is a ripple effect throughout. It is kind of like a cancer that starts eating at all these unintended consequences. That is why we have got to deal with it, and we have got to deal with it as we go through this prescription drug plan and this prescription drug debate.

Mr. GUTKNECHT. Absolutely. The time is now. You mentioned in coming from Michigan, General Motors has been a fabulous employer. Not only in the State of Michigan but for suppliers all over the world. The interesting thing is General Motors, I met with a General Motors lobbyist last week. Do you know how much they are going to spend this year on prescription drugs, the company? This is just for their employees and their retirees. $1.3 billion. GM will spend $1.3 billion. What is worse, that number is going up 16, 17, 18 percent per year. That is a cost before they sell the first automobile, before they sell any cars. Those are costs they have to pay for.

Mr. HOEKSTRA. Just think, the numbers and the examples you are using, a conservative estimate says rather than the U.S. price being 20 times what they might be able to get it somewhere else, let us say U.S. companies could save, 25, 30 percent. For a company like General Motors, for any employer, that gets to be real money. Think about it. For General Motors if they are spending $1.3 billion, that would be $300 million, either in lower prices, increased competitiveness, or better services and more benefits to their employees.

Mr. GUTKNECHT. Right.

□ 2045

We are absorbing that cost, and I think when we talked about this at a conference today, what somebody said is we are subsidizing the rest of the world in health care and prescription drugs, and we are subsidizing, I think your term is, the ''starving French,'' or the ''starving Swedes,'' or the ''starving Swiss.''

Mr. GUTKNECHT. You can use whichever. I would say Americans are willing to pay their fair share. We understand there is a cost for research. We understand we have to pay that $3.9 billion that one of the big pharmaceutical companies will spend this year on advertising and marketing. We understand that has to be paid. We are willing to pay our fair share. We are willing to subsidize the people in Sub-Saharan Africa. But we should not be willing to subsidize the starving Swiss.

Mr. HOEKSTRA. This affects the ability of GM to sell cars in Europe. This affects the ability of GM to sell cars in the United States against cars that are made in Europe by companies who are providing benefits to their workers. And we are subsidizing their health care. We are subsidizing health care in Canada, we are subsidizing it in Mexico, we are subsidizing it in Japan and in Europe, because we are paying prices that the rest of the world is unwilling to pay which means these companies can go to other places in the world and sell the prescription drugs for prices significantly lower than ours.

Mr. GUTKNECHT. Well, the real bottom line is virtually every other company has to compete in a world marketplace. What we are saying is let markets work. Open up the markets.

Finally, we are all concerned about safety. But this is a counterfeit-proof package. It is a blister pack, one of the first versions. It is getting better.

There is a great little company out in California that is helping to develop the technology for the new $20 bills to make them counterfeit-proof. It is good enough for the U.S. Treasury, but, so far, not good enough for the FDA.

We are going to demonstrate in the coming weeks how we can have safety-sealed counterfeit-proof packaging which will guarantee the safety of drugs wherever they happen to come from. If the drug companies have to compete in a world marketplace, the way General Motors does, the way Eastman Kodak does, the way IBM does, the way Microsoft does, or the way every other company in America has to compete, you will see prices in the United States drop dramatically; and that amounts to billions and billions of dollars of savings, not just for retirees, but for all Americans.

Mr. HOEKSTRA. There is no reason drugs cannot cross borders safely. We have food that crosses borders safely, and there is no reason we cannot develop a system to maintain the integrity of prescription drugs as they go from Canada into the U.S. and those types of things. We can put the measure in place to ensure the safety and security of our prescription drug supply.

Mr. GUTKNECHT. We just have a few more minutes, and I will close by saying this. The gentleman is exactly right. We import in the United States thousands and thousands of tons of fruits and vegetables and meats. As a matter of fact, this year we will import 318,000 tons of plantains. If we can safely import 318,000 tons of plantains, we can surely figure out a way to import Prilosec and Glucophage.

There is no way people will argue we cannot do this safely. We have the technology today. The time has come to open up markets, let our people go and stop this captive market. We will see prices drop in the United States by at least 30 percent.

Mr. HOEKSTRA. I thank my colleague for joining me talking about prescription drugs and talking about Prison Industries.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mr. STENHOLM, for 5 minutes, today.

Mr. MCDERMOTT, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, June 19.

Mrs. BLACKBURN, for 5 minutes, June 19.

Mr. GOSS, for 5 minutes, today.

Mr. SMITH of Michigan, for 5 minutes, June 16 and 17.

Mr. HENSARLING, for 5 minutes, today.

Mr. NUSSLE, for 5 minutes, today.

Mr. BURGESS, for 5 minutes, today.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker.

H.R. 1625. An act to designate the facility of the United States Postal Service located at 1114 Main Avenue in Clifton, New Jersey, as the ''Robert P. Hammer Post Office Building.''.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 763. An act to designate the Federal building and United States courthouse located at 46 East Ohio Street in Indianapolis, Indiana, as the ''Birch Bayh Federal Building and United States Courthouse.''

S.J. Res. 8. Joint resolution expressing the sense of Congress with respect to raising awareness and encouraging prevention of sexual assault in the United States and supporting the goals and ideals of National Sexual Assault Awareness and Prevention Month.

ADJOURNMENT

Mr. HOEKSTRA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 48 minutes p.m.), under its previous order, the House adjourned until Monday, June 16, 2003, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

2645. A letter from the Under Secretary, Department of Defense, transmitting a letter on the approved retirement Vice Admiral Joseph W. Dyer, United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

2646. A letter from the Director of Congressional Affairs, Consumer Product Safety Commission, transmitting the Commission's final rule — Requirements for Low-Speed Electric Bicycles — received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2647. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Minot, North Dakota) [MB Docket No. 02-282, RM-10523] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2648. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Derby, Kansas) [MM Docket No. 01-44, RM-10022] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2649. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Jackson, Wyoming) [MB Docket No. 02-375, RM-10605] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2650. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Junction, Texas) [MM Docket No. 01-132, RM-10149] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2651. A letter from the Senior Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Buffalo, Oklahoma) [MB Docket No. 02-383, RM-10614] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2652. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Comanche, Mullin and Mason, Texas) [MM Docket No. 01-159, RM-10164; RM-10395] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2653. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Alamo and Milan, Georgia) [MM Docket No. 01-111, RM-10124; RM-10341] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2654. A letter from the Senior Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Reydon, Oklahoma) [MM Docket No. 01-227, RM-10255] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2655. A letter from the Senior Legal Advisor to the Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Opelousas, Louisiana) [MB Docket No. 02-322, RM-10584] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2656. A letter from the Senior Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (O'brien, Texas) [MB Docket No. 02-296, RM-10571]; (Stamford, Texas) [MB Docket No.02-297]; (Panhandle, Texas) [MB Docket No. 02-298, RM-10574]; (Shamrock, Texas) [MB Docket No.02-299, RM-1 0575]; (Colorado City, Texas) [MB Docket No. 02-300, RM-10576]; (Taloga, Oklahoma) [MB Docket No. 02-302, RM-10579] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2657. A letter from the Special Assistant to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission's final rule — Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Hartford, Connecticut) [MB Docket No. 01-306, RM-10152] received May 29, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2658. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's ''Major'' final rule — Revision of Fee Schedules; Fee Recovery for FY 2003 (RIN: 3150-AH14) received June 12, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

2659. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

2660. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the third annual ''Traffiking in Persons Report,'' pursuant to Public Law 106—386, section 110; to the Committee on International Relations.

2661. A letter from the Secretary, Department of Agriculture, transmitting the semiannual report of the Inspector General for the 6-month period ending March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2662. A letter from the Chairman, Broadcasting Board of Governors, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 2002 to March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2663. A letter from the Secretary, Department of Transportation, transmitting the Department's Strategic Plan for Fiscal Years 2003 through 2008; to the Committee on Government Reform.

2664. A letter from the Administrator, General Services Administration, transmitting a semiannual report on Office of Inspector General auditing activity, together with a report providing management's perspective on the implementation status of audit recommendations, pursuant to 5 app.; to the Committee on Government Reform.

2665. A letter from the Chairman and General Counsel, National Labor Relations Board, transmitting the semiannual report on the activities of the Office of Inspector General of the National Labor Relations Board for the period October 1, 2002 through March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

2666. A letter from the Chairman, National Science Board, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 2002 through March 31, 2003, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

2667. A letter from the Director, Office of Personnel Management, transmitting the Office's report entitled, ''Federal Student Loan Repayment Program FY 2002,'' pursuant to 5 U.S.C. 5379(a)(1)(B) Public Law 106—398, section 1122; to the Committee on Government Reform.

2668. A letter from the Attorney for National Council on Radiation Protection and Measurements, National Council on Radiation Protection and Measurements, transmitting the 2002 Annual Report of independent auditors who have audited the records of the National Council on Radiation Protection and Measurements, a federally chartered corporation, pursuant to 36 U.S.C. 4514; to the Committee on the Judiciary.

2669. A letter from the Chairman, United States International Trade Commission, transmitting the Commission's report entitled, ''U.S. Chile Free Trade Agreement: Potential Economywide and Selected Sectoral Effects''; to the Committee on Ways and Means.

2670. A letter from the Chairman, United States International Trade Commission, transmitting the Commission's report entitled, ''U.S. Singapore Free Trade Agreement: Potential Economywide and Selected Sectoral Effects''; to the Committee on Ways and Means.

2671. A letter from the Board Members, Railroad Retirement Board, transmitting the 2003 annual report on the financial status of the railroad unemployment insurance system, pursuant to 45 U.S.C. 369; jointly to the Committees on Ways and Means and Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on International Relations. Supplemental report on H.R. 1950. A bill to authorize appropriations for the Department of State for the fiscal years 2004 and 2005, to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2004 and 2005, and for other purposes (Rept. 108–105 Pt. 2).

Mr. TOM DAVIS of Virginia: Committee on Government Reform. H.R. 2122. A bill to enhance research, development, procurement, and use of biomedical countermeasures to respond to public health threats affecting national security, and for other purposes; with an amendment (Rept. 108–147 Pt. 2). Ordered to be printed.

Mr. BOEHNER: Committee of Conference. Conference report on S. 342. An act to amend the Child Abuse Prevention and Treatment Act to make improvements to and reauthorize programs under that Act, and for other purposes (Rept. 108–150). Ordered to be printed.

Mr. OXLEY: Committee on Financial Services. H.R. 23. A bill to amend the Housing and Community Development Act of 1974 to authorize communities to use community development block grant funds for construction of tornado-safe shelters in manufactured home parks; with an amendment (Rept. 108–151). Referred to the Committee of the Whole House on the State of the Union.

DISCHARGE OF COMMITTEE

[Omitted from the Record of June 11, 2003]

Pursuant to clause 2 of rule XII the Committee on Armed Services discharged from further consideration of H.R. 2122.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 1375. A bill to provide regulatory relief and improve productivity for insured depository institutions, and for other purposes, with an amendment; Rept. 108–152, Part I referred to the Committee on Judiciary for a period ending not later than July 14, 2003, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. DUNN (for herself, Mr. CRAMER, Mr. BURNS, Mr. COX, Mr. SHUSTER, Mr. DEMINT, Mr. NETHERCUTT, Mr. KOLBE, Mr. HERGER, Mr. HASTINGS of Washington, Mr. CAMP, Mr. FOLEY, Mr. WILSON of South Carolina, Mr. WELLER, Mr. PUTNAM, Mr. TOOMEY, Mr. MCKEON, Mr. MICA, Mr. WICKER, Mr. BOEHNER, Mr. PLATTS, Mr. GOODE, Mr. TOM DAVIS of Virginia, Mr. NORWOOD, Mr. WELDON of Florida, Mr. GIBBONS, Mr. BASS, Mr. CUNNINGHAM, Mr. SHIMKUS, Mr. WAMP, Mrs. MYRICK, Mr. PICKERING, Mr. RYAN of Wisconsin, Mr. ROGERS of Michigan, Mr. KIRK, Mr. JONES of North Carolina, Mr. WOLF, Mr. BOUCHER, Mr. REYNOLDS, Mr. ENGLISH, Mr. HALL, Mrs. NORTHUP, Mr. KNOLLENBERG, Mr. HAYWORTH, Mr. DREIER, Mr. MCINNIS, Mr. CRANE, Mr. SHAW, Mr. SOUDER, Mrs. WILSON of New Mexico, Mr. ROGERS of Kentucky, Mr. SAM JOHNSON of Texas, Mr. REHBERG, Mr. CALVERT, Mrs. JO ANN DAVIS of Virginia, Mr. BACHUS, Mr. SIMPSON, Mr. BAKER, Mrs. EMERSON, Mr. OXLEY, Mr. SIMMONS, Mr. GRAVES, Mr. PENCE, Mr. JOHNSON of Illinois, Mr. SESSIONS, Mr. GOSS, Mr. MCHUGH, Mr. TANCREDO, Mr. CANNON, Mr. COBLE, Mr. BONILLA, Mr. WHITFIELD, Mr. SAXTON, Mr. BURTON of Indiana, Mr. DUNCAN, Mr. SCHROCK, Mr. OTTER, Mr. DOOLITTLE, Mr. PAUL, Mr. ROHRABACHER, Mr. JENKINS, Mr. LUCAS of Kentucky, Ms. GRANGER, Mr. HAYES, Mr. EVERETT, Mr. FERGUSON, Mr. LEWIS of Kentucky, Mr. BARTLETT of Maryland, Mr. SWEENEY, Mr. KELLER, Mr. SHADEGG, Mr. BARRETT of South Carolina, Mr. WALDEN of Oregon, Mr. WALSH, Mr. MARIO DIAZ-BALART of Florida, Ms. PRYCE of Ohio, Mr. ISTOOK, Mr. ISSA, Ms. BERKLEY, Ms. ROS-LEHTINEN, Mr. SENSENBRENNER, Mrs. CUBIN, Mr. MILLER of Florida, Mr. LATHAM, Mrs. CAPITO, Mr. RADANOVICH, Mr. GARY G. MILLER of California, Mr. LOBIONDO, Mr. JANKLOW, Mr. HEFLEY, Mr. ISAKSON, Mr. LARSEN of Washington, Mr. BOEHLERT, Mr. TIAHRT, Mr. CRENSHAW, Mr. LATOURETTE, Mr. FEENEY, Mr. PETERSON of Pennsylvania, Mr. WELDON of Pennsylvania, Mr. POMBO, Mr. OSBORNE, Mr. PEARCE, Mr. KLINE, Mr. BEAUPREZ, Mr. KING of Iowa, Mr. ROGERS of Alabama, Mr. MATHESON, Mr. FLETCHER, Mr. HOEKSTRA, Mr. RENZI, Ms. HARRIS, Mr. CULBERSON, Mr. MANZULLO, Mr. CHOCOLA, Mr. SMITH of Texas, Mr. GERLACH, Mr. TAUZIN, Ms. GINNY BROWN-WAITE of Florida, Mr. GUTKNECHT, Mrs. MUSGRAVE, Mr. FORBES, Mr. BISHOP of Utah, Mr. ADERHOLT, Mr. BROWN of South Carolina, Mr. SCOTT of Georgia, Mr. PORTER, Mr. BLUNT, Mr. AKIN, Mr. SULLIVAN, Mr. GARRETT of New Jersey, Mr. HOSTETTLER, Mr. SHERWOOD, Mr. LUCAS of Oklahoma, Mr. THORNBERRY, Mr. VITTER, Mr. CANTOR, Mr. TERRY, Mr. KENNEDY of Minnesota, Mr. BRADLEY of New Hampshire, Mr. GILLMOR, Mr. PITTS, Mr. CARTER, Mr. NEY, Ms. HART, Mr. FRELINGHUYSEN, Mrs. BONO, Mr. HENSARLING, Mr. BRADY of Texas, Mr. MURPHY, Mr. HASTERT, Mr. BONNER, Mr. BURR, Mr. DEAL of Georgia, Mr. FOSSELLA, Mr. LAHOOD, Mr. SANDLIN, Mr. COLLINS, Mr. RYUN of Kansas, Mr. RAMSTAD, Mr. GILCHREST, Mr. LAMPSON, Mrs. BLACKBURN, Mr. NUNES, Mr. HYDE, Mr. OSE, Mr. GOODLATTE, Mrs. BIGGERT, Mr. CHABOT, Mr. DELAY, Mr. HULSHOF, Mr. BURGESS, Mr. CARDOZA, Mr. MCCOTTER, Mrs. MILLER of Michigan, Mr. BISHOP of Georgia, Mrs. KELLY, Mr. FRANKS of Arizona, Mr. ROYCE, Mr. NUSSLE, Mr. PORTMAN, Mr. GINGREY, Mr. TURNER of Ohio, Mr. NEUGEBAUER, Mr. LINDER, Mr. YOUNG of Alaska, Mr. RAHALL, Mr. COLE, and Mr. GALLEGLY):

H.R. 8. A bill to make the repeal of the estate tax permanent.

By Mr. HYDE (for himself, Mr. LANTOS, Mr. GREEN of Wisconsin, Ms. HARRIS, Ms. LEE, Mr. CROWLEY, Mr. LAHOOD, and Mr. JANKLOW):

H.R. 2441. A bill to establish the Millennium Challenge Account to provide increased support for developing countries that have fostered democracy and the rule of law, invested in their citizens, and promoted economic freedom; to assess the impact and effectiveness of United States economic assistance; to authorize the expansion of the Peace Corps, and for other purposes; to the Committee on International Relations.

By Mr. FILNER (for himself and Mr. MCHUGH):

H.R. 2442. A bill to amend the definition of a law enforcement officer under subchapter III of chapter 83 and chapter 84 of title 5, United States Code, respectively, to ensure the inclusion of certain positions; to the Committee on Government Reform.

By Mr. YOUNG of Alaska (for himself, Mr. LOBIONDO, Mr. OBERSTAR, and Mr. FILNER):

H.R. 2443. A bill to authorize appropriations for the Coast Guard for fiscal year 2004, to amend various laws administered by the Coast Guard, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. AKIN (for himself, Mr. LUCAS of Kentucky, Mr. TIAHRT, Mrs. MYRICK, Mr. TERRY, Mr. MANZULLO, Mr. RYUN of Kansas, Mr. PAUL, Mr. WAMP, Mr. ISTOOK, Mr. SCHROCK, Mr. SULLIVAN, Mr. LIPINSKI, Mr. ADERHOLT, Mr. SMITH of New Jersey, Mr. CRANE, Mr. TAYLOR of Mississippi, Mr. PITTS, Mrs. MUSGRAVE, Mr. DOOLITTLE, Mr. HOSTETTLER, Mr. JONES of North Carolina, Mr. MCINTYRE, Mr. BURGESS, Mr. VITTER, Mr. SAM JOHNSON of Texas, Mr. KLINE, Mr. WELDON of Florida, Mr. SOUDER, Mr. KING of Iowa, Mr. WILSON of South Carolina, Mr. DEMINT, Mr. GUTKNECHT, Mr. TOOMEY, Mr. NORWOOD, Mr. HOEKSTRA, Mr. SHADEGG, Mr. PEARCE, Mr. CHABOT, Mr. PENCE, Mr. PICKERING, Mr. BACHUS, Mr. BLUNT, Mr. LEWIS of Kentucky, Mrs. CUBIN, Mr. BARTON of Texas, Mr. BURR, Mr. FERGUSON, Mr. ROGERS of Michigan, Mr. FLETCHER, Mr. WHITFIELD, Ms. HART, Mrs. BLACKBURN, Mr. DUNCAN, Mr. KENNEDY of Minnesota, Mr. BARTLETT of Maryland, Mr. FRANKS of Arizona, Mr. GARRETT of New Jersey, Mr. BARRETT of South Carolina, Mr. ROGERS of Alabama, Mrs. JO ANN DAVIS of Virginia, Mr. TANCREDO, Mr. JANKLOW, Mr. GOODE, Mr. CRENSHAW, Mr. CHOCOLA, Mr. RENZI, Mr. BISHOP of Utah, Mr. GRAVES, Mr. BEAUPREZ, Mr. WICKER, Mr. HAYES, Mr. SHIMKUS, Mr. FORBES, Mr. STEARNS, Mr. RYAN of Wisconsin, Mr. COLE, Mr. SESSIONS, Mr. CULBERSON, Mr. BRADY of Texas, Mr. HUNTER, Mr. NEUGEBAUER, Mr. FEENEY, Mr. MURPHY, Mr. LAHOOD, and Mr. CANTOR):

H.R. 2444. A bill to establish certain requirements relating to the provision of services to minors by family planning projects under title X of the Public Health Service Act; to the Committee on Energy and Commerce.

By Mr. EVANS:

H.R. 2445. A bill to amend title 38, United States Code, to make permanent the requirement for the Secretary of Veterans Affairs to provide nursing home care to certain veterans with service-connected disabilities and to expand eligibility for such care to all veterans with compensable service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. WELLER (for himself, Mr. YOUNG of Alaska, Mr. CRANE, Mr.

HAYWORTH, Mr. HAYES, Mr. NEY, Mr. GARRETT of New Jersey, Mr. WAMP, Mr. BARRETT of South Carolina, Mr. REHBERG, Mr. TERRY, Mrs. MYRICK, and Mr. LAHOOD):

H.R. 2446. A bill to amend the Internal Revenue Code of 1986 to permanently extend the marriage penalty tax relief enacted by the Jobs and Growth Tax Relief Reconciliation Act of 2003; to the Committee on Ways and Means.

By Mr. SMITH of Michigan (for himself, Mr. PAUL, Mr. BALLENGER, Mr. ROYCE, Mrs. JO ANN DAVIS of Virginia, Mr. CHABOT, Mr. ROHRABACHER, Mr. PETERSON of Minnesota, Mr. WELLER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LARSON of Connecticut, Mr. BACHUS, Mrs. EMERSON, Mr. HYDE, Mr. BEREUTER, Ms. LOFGREN, and Mr. HALL):

H.R. 2447. A bill to establish a Federal interagency task force to promote the benefits, safety, and potential uses of agricultural biotechnology to improve human and animal nutrition, increase crop productivity, and improve agricultural sustainability while ensuring the safety of food and the environment; to the Committee on International Relations, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. WELLER (for himself and Mr. CAMP):

H.R. 2448. A bill to amend the Internal Revenue Code of 1986 to extend the special 5-year carryback of certain net operating losses to losses for 2003, 2004, and 2005; to the Committee on Ways and Means.

By Mr. BAKER (for himself, Mr. ALEXANDER, Mr. JOHN, Mr. VITTER, Mr. MCCRERY, Mr. GOODE, and Mr. PLATTS):

H.R. 2449. A bill to establish a commission to commemorate the sesquicentennial of the American Civil War; to the Committee on Government Reform.

By Mr. GORDON (for himself, Mr. SENSENBRENNER, Ms. JACKSON-LEE of Texas, Mr. UDALL of Colorado, Mr. COOPER, Mr. FRANK of Massachusetts, Mr. LAMPSON, Mr. HALL, Mr. SHERMAN, Mr. LARSON of Connecticut, Mr. WEINER, Ms. LOFGREN, Mr. HONDA, Mr. FROST, Mr. COSTELLO, Mr. DAVIS of Tennessee, Mr. WYNN, Mr. BAIRD, and Ms. EDDIE BERNICE JOHNSON of Texas):

H.R. 2450. A bill to provide for the establishment of an independent, Presidentially-appointed investigative Commission in the event of incidents in the Nation's human space flight program that result in loss of crew, passengers, or the spacecraft, and for other purposes; to the Committee on Science.

By Mr. KING of Iowa:

H.R. 2451. A bill to amend title XVIII of the Social Security Act to improve geographic equity in the provision of items and services provided to Medicare beneficiaries; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KING of New York:

H.R. 2452. A bill to designate the facility of the United States Postal Service located at 339 Hicksville Road in Bethpage, New York, as the ''Brian C. Hickey Post Office Building''; to the Committee on Government Reform.

By Mr. KLECZKA (for himself and Mr. STARK):

H.R. 2453. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of substitute adult day care services; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LATOURETTE (for himself, Mr. YOUNG of Alaska, Mr. OBERSTAR, and Ms. NORTON) (all by request):

H.R. 2454. A bill to reauthorize and improve the program authorized by the Public Works and Economic Development Act of 1965; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY (for himself, Mr. SHAYS, Mr. LANGEVIN, Mr. THOMPSON of Mississippi, Mr. FRANK of Massachusetts, Mr. ANDREWS, Mrs. LOWEY, and Mr. ETHERIDGE):

H.R. 2455. A bill to improve air cargo security; to the Committee on Transportation and Infrastructure.

By Mrs. MCCARTHY of New York (for herself and Mr. QUINN):

H.R. 2456. A bill to require increased activities by the National Institutes of Health and the Centers for Disease Control and Prevention regarding Diamond-Blackfan anemia, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MICA:

H.R. 2457. A bill to authorize funds for an educational center for the Castillo de San Marcos National Monument, and for other purposes; to the Committee on Resources.

By Mr. POMEROY (for himself, Mr. ISAKSON, Mr. ENGLISH, and Mr. ANDREWS):

H.R. 2458. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income a percentage of lifetime annuity payments, and for other purposes; to the Committee on Ways and Means.

By Mr. REHBERG (for himself, Mr. EDWARDS, Mrs. EMERSON, Mr. WALSH, Mr. PLATTS, Mr. TOWNS, and Mr. STENHOLM):

H.R. 2459. A bill to establish the United States Consensus Council to provide for a consensus building process in addressing national public policy issues, and for other purposes; to the Committee on Government Reform.

By Mr. REYES:

H.R. 2460. A bill to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District, El Paso County, Texas; to the Committee on International Relations.

By Ms. LORETTA SANCHEZ of California:

H.R. 2461. A bill to amend title XVIII of the Social Security Act to provide for establishment of a Medicare prescription drug benefit covering costs that exceed a percentage of a beneficiary's income; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SANDERS (for himself, Mr. ABERCROMBIE, Ms. BALDWIN, Mr. BROWN of Ohio, Ms. CARSON of Indiana, Mr. CASE, Ms. DELAURO, Mr. FATTAH, Mr. JACKSON of Illinois, Mr. DEFAZIO, Mr. GRIJALVA, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. INSLEE, Mr. KUCINICH, Ms. LEE, Mr. MCDERMOTT, Mrs. MALONEY, Mr. GEORGE MILLER of California, Mr. NADLER, Mr. OLVER, Mr. OWENS, Ms. SCHAKOWSKY, Ms. SLAUGHTER, Ms. SOLIS, Ms. VELAZQUEZ, and Ms. WATSON):

H.R. 2462. A bill to invalidate the actions of the Federal Communications Commission in abrogating the media ownership limitations under the Communications Act of 1934; to the Committee on Energy and Commerce.

By Mr. SAXTON (for himself, Mr. SMITH of New Jersey, Mr. ANDREWS, and Mr. LOBIONDO):

H.R. 2463. A bill to amend title 10, United States Code, to require certain contractors with the Department of Defense to perform background investigations, psychological assessments, and behavioral observations, and provide fingerprint cards, with respect to individuals who perform work on military installations or facilities; to the Committee on Armed Services.

By Mr. SAXTON (for himself and Mr. ANDREWS):

H.R. 2464. A bill to direct the Secretary of Education to provide grants to promote Holocaust education and awareness; to the Committee on Education and the Workforce.

By Mr. SENSENBRENNER:

H.R. 2465. A bill to extend for six months the period for which chapter 12 of title 11 of the United States Code is reenacted; to the Committee on the Judiciary.

By Mr. SHERMAN (for himself, Mr. SMITH of New Jersey, Mr. WAXMAN, Mr. SOUDER, Ms. BERKLEY, Mr. KING of New York, Mr. ISRAEL, Mr. WEINER, Mr. CROWLEY, Mr. HOLDEN, Mr. NADLER, Mr. DEUTSCH, and Mr. ENGEL):

H.R. 2466. A bill to encourage democratic reform in Iran and to strengthen United States policy toward the current Government of Iran; to the Committee on International Relations, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of Washington (for himself and Mr. DOOLEY of California):

H.R. 2467. A bill to extend certain trade benefits to countries of the greater Middle East; to the Committee on Ways and Means.

By Mr. STUPAK:

H.R. 2468. A bill to amend the Transportation Equity Act for the 21st Century to modify a high priority project in the State of Michigan; to the Committee on Transportation and Infrastructure.

By Mr. TERRY (for himself, Mr. TANCREDO, Mrs. MUSGRAVE, Mr. SESSIONS, Mr. MANZULLO, and Mr. JENKINS):

H.R. 2469. A bill to amend the Social Security Act to modify the Medicare Program; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WATERS (for herself, Mr. KUCINICH, Ms. LEE, and Mr. STARK):

H.R. 2470. A bill to require certain actions with respect to the availability of medicines for HIV/AIDS and other diseases in developing countries; to the Committee on International Relations, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DELAHUNT (for himself, Mr. GILCHREST, Mr. GEORGE MILLER of California, Mr. SMITH of New Jersey, Mr. FARR, Mr. GREENWOOD, Mr. ALLEN, and Mr. ABERCROMBIE):

H. Con. Res. 216. Concurrent resolution expressing the sense of the Congress regarding the policy of the United States at the 55th Annual Meeting of the International Whaling Commission; to the Committee on International Relations.

By Mr. HASTINGS of Florida:

H. Con. Res. 217. Concurrent resolution condemning the Islamic Republic of Iran (also known as Iran) for constructing a facility to enrich uranium with potential for developing a program for the proliferation of weapons of mass destruction, and for its support of global terrorism; to the Committee on International Relations.

By Mr. PASCRELL (for himself, Mr. FRELINGHUYSEN, Mr. HOLDEN, Ms. DELAURO, Mr. DAVIS of Illinois, Mr. RANGEL, Mr. UDALL of Colorado, Mr. DOYLE, and Mr. FOSSELLA):

H. Con. Res. 218. Concurrent resolution expressing the sense of the Congress that a commemorative postage stamp should be issued honoring Gunnery Sergeant John Basilone, a great American hero; to the Committee on Government Reform.

By Mr. SMITH of Texas (for himself and Mr. VITTER):

H. Con. Res. 219. Concurrent resolution expressing the sense of Congress with respect to raising awareness and encouraging education about safety on the Internet and supporting the goals and ideals of National Internet Safety Month; to the Committee on Energy and Commerce.

By Mr. THOMPSON of Mississippi (for himself and Mr. PICKERING):

H. Con. Res. 220. Concurrent resolution commending Medgar Wiley Evers and his widow, Myrlie Evers-Williams, for their lives and accomplishments; to the Committee on Government Reform.

By Mr. CALVERT (for himself and Mrs. BONO):

H. Res. 271. A resolution expressing the sense of the House of Representatives that the flag of the United States should be displayed in each classroom or other similar educational setting in the United States; to the Committee on Education and the Workforce.

By Mr. CARDOZA (for himself, Ms. ESHOO, Mr. EMANUEL, Mr. LIPINSKI, Mr. PAYNE, Ms. WATSON, Mr. MCGOVERN, Mr. RADANOVICH, Ms. LOFGREN, and Mr. HONDA):

H. Res. 272. A resolution expressing concern for the status of the Assyrian people in post-war Iraq; to the Committee on International Relations.

By Mr. ISRAEL (for himself, Mr. WOLF, Ms. WATSON, Mr. WEINER, Mrs. MALONEY, Mr. MCDERMOTT, Mr. EVANS, Mr. CASE, Mr. FROST, Mr. BERMAN, Mr. MCNULTY, Mr. FALEOMAVAEGA, Mr. WEXLER, Ms. GINNY BROWN-WAITE of Florida, Mr. SNYDER, and Mr. BELL):

H. Res. 273. A resolution expressing the sense of the House of Representatives that the United States Postal Service should issue a postage stamp commemorating Anne Frank; to the Committee on Government Reform.

By Mr. MATHESON (for himself and Mr. NETHERCUTT):

H. Res. 274. A resolution honoring John Stockton for an outstanding career, congratulating him on his retirement, and thanking him for his contributions to basketball, to the State of Utah, and to the Nation; to the Committee on Government Reform.

By Mr. TAYLOR of Mississippi:

H. Res. 275. A resolution providing for consideration of the joint resolution (H. J. Res. 22) proposing a balanced budget amendment to the Constitution of the United States; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. SAXTON.

H.R. 22: Mr. TERRY.

H.R. 23: Mr. MORAN of Kansas.

H.R. 33: Mr. BELL and Mr. JOHNSON of Illinois.

H.R. 49: Ms. HARMAN.

H.R. 141: Mr. BARRETT of South Carolina, Mr. DEMINT, Mr. NORWOOD, and Mr. ADERHOLT.

H.R. 198: Mrs. JO ANN DAVIS of Virginia and Mr. COX.

H.R. 235: Mr. OXLEY, Mr. CUNNINGHAM, Ms. GINNY BROWN-WAITE of Florida, Ms. DUNN, Mr. POMBO, Mr. BONILLA, and Ms. GRANGER.

H.R. 236: Mr. LANGEVIN, Mr. POMEROY, Mr. EMANUEL, Mr. STENHOLM, Mr. STUPAK, Mr. JOHN, Mr. ALEXANDER, and Mr. THOMPSON of California.

H.R. 261: Mr. FORD.

H.R. 262: Mr. VITTER.

H.R. 276: Mr. DOOLITTLE and Mr. RYUN of Kansas.

H.R. 284: Mr. PALLONE, Mr. CONYERS, and Mr. SAXTON.

H.R. 290: Mr. CRAMER, Mr. DEUTSCH, and Mr. SNYDER.

H.R. 296: Mr. ROSS and Mr. GREEN of Texas.

H.R. 303: Ms. GRANGER, Mr. ENGEL, Mr. GEORGE MILLER of California, and Ms. NORTON.

H.R. 308: Mr. LOBIONDO.

H.R. 315: Mr. GOODE.

H.R. 369: Mr. KUCINICH.

H.R. 371: Mr. BELL and Mr. DELAHUNT.

H.R. 391: Mr. KLINE.

H.R. 424: Mrs. JO ANN DAVIS of Virginia.

H.R. 488: Mrs. JO ANN DAVIS of Virginia.

H.R. 490: Mr. WU.

H.R. 528: Mr. GRIJALVA, Mr. MEEHAN, and Mr. ACKERMAN.

H.R. 580: Mr. MORAN of Virginia.

H.R. 589: Mr. WALSH, Mr. DELAHUNT, Mr. GILCHREST, Mr. DEMINT, Mr. CHOCOLA, Mr. Stenholm, Mr. BEAUPREZ, Mr. ISSA, Mr. YOUNG of Alaska, Mr. OSE, Mr. CALVERT, and Mr. MORAN of Kansas.

H.R. 660: Mr. BLUNT, Mr. BRADLEY of New Hampshire, Mr. TURNER of Ohio, and Ms. PRYCE of Ohio.

H.R. 664: Mr. CROWLEY.

H.R. 665: Mr. MORAN of Virginia.

H.R. 687: Mr. ISTOOK.

H.R. 713: Mr. BOUCHER.

H.R. 714: Mr. CRANE.

H.R. 737: Ms. HARMAN.

H.R. 742: Mr. GARY G. MILLER of California, Mr. BURNS, Mr. HINCHEY, Mr. TIBERI, Ms. BALDWIN, and Mr. STRICKLAND.

H.R. 792: Mr. LEWIS of Kentucky and Mr. STRICKLAND.

H.R. 806: Mr. BROWN of Ohio.

H.R. 828: Mr. BELL.

H.R. 834: Mr. EMANUEL, Mr. BACA, and Mr. AKIN.

H.R. 839: Mr. LARSEN of Washington, Mr. ROTHMAN, Mr. PALLONE, Mr. MCHUGH, Mr. DOOLITTLE, Mr. BOEHLERT, Mr. DAVIS of Illinois, Mr. LEWIS of Georgia, Mr. DOYLE, Mr. ALLEN, and Mr. HOEFFEL.

H.R. 872: Mr. RYUN of Kansas and Mr. BROWN of South Carolina.

H.R. 883: Mr. ENGEL.

H.R. 898: Mr. THOMPSON of Mississippi, Mr. LAMPSON, Mr. BRADY of Pennsylvania, and Mr. HOUGHTON.

H.R. 906: Mr. MARIO DIAZ-BALART of Florida, Mr. NEY, Mr. PLATTS, and Mr. BACHUS.

H.R. 919: Mr. FOSSELLA and Mr. JOHNSON of Illinois.

H.R. 934: Mr. FRANK of Massachusetts and Mr. CONYERS.

H.R. 941: Mr. LEWIS of Georgia.

H.R. 962: Mr. MORAN of Virginia, Mr. SHERMAN, Mrs. CAPPS, Mr. ANDREWS, and Mr. EHLERS.

H.R. 973: Mr. COLE and Mr. NEAL of Massachusetts.

H.R. 980: Mr. LOBIONDO, Mr. VITTER, Mr. TERRY, and Mr. POMEROY.

H.R. 996: Mr. GORDON, Mr. BARTON of Texas, Mr. SKELTON, Mr. HENSARLING, Mr. DUNCAN, and Mr. KINGSTON.

H.R. 997: Mrs. BLACKBURN, Mr. UPTON, Mr. COLLINS, Mr. BALLANCE, Mr. REHBERG, Mr. BURR, and Mr. BEREUTER.

H.R. 1006: Mr. ACEVEDO-VILA, Mr. ALLEN, Ms. MCCOLLUM, Mr. CRAMER, Mr. SCHIFF, Mr. BARTLETT of Maryland, Mrs. BONO, and Mr. PETERSON of Minnesota.

H.R. 1073: Mr. BOEHNER, Mr. KIRK, and Mr. HOUGHTON.

H.R. 1078: Mr. WALDEN of Oregon, Ms. JACKSON-LEE of Texas, Mr. BARTLETT of Maryland, Mr. YOUNG of Florida, Mr. CANTOR, and Mr. HENSARLING.

H.R. 1083: Mr. WEXLER and Mr. MICHAUD.

H.R. 1087: Mrs. GINNY BROWN-WAITE of Florida.

H.R. 1093: Mr. UPTON, Ms. MILLENDER-MCDONALD, and Ms. JACKSON-LEE of Texas.

H.R. 1110: Mr. NORWOOD, Mr. DAVIS of Illinois, and Mr. EMANUEL.

H.R. 1114: Mr. PITTS.

H.R. 1117: Mr. STEARNS.

H.R. 1120: Mrs. JO ANN DAVIS of Virginia.

H.R. 1125: Mr. TURNER of Ohio.

H.R. 1130: Mr. ACEVEDO-VILA and Mrs. CHRISTENSEN.

H.R. 1154: Mrs. JO ANN DAVIS of Virginia.

H.R. 1160: Mr. HOEKSTRA, Mr. GARY G. MILLER of California, and Ms. MCCARTHY of Missouri

H.R. 1167: Mr. GINGREY, Mr. PEARCE, Mr. SCHROCK, and Mr. WHITFIELD.

H.R. 1206: Mrs. JO ANN DAVIS of Virginia.

H.R. 1214: Mr. GORDON, Mr. ROSS, Mr. SABO, Mr. BERRY, Mr. BLUMENAUER, Mr. BURTON of Indiana, Mr. NETHERCUTT, and Mr. CONYERS.

H.R. 1220: Mr. CANNON.

H.R. 1231: Mr. CALVERT, Mr. TOOMEY, Mr. BROWN of South Carolina, Mr. BELL, Mr. SERRANO, Mr. SCOTT of Georgia, and Mr. SKELTON.

H.R. 1258: Mr. CUMMINGS and Mr. CLAY.

H.R. 1264: Ms. BORDALLO and Mr. ETHERIDGE.

H.R. 1267: Mr. INSLEE and Mr. SMITH of Washington.

H.R. 1268: Mr. LANTOS.

H.R. 1288: Mr. FORBES, Mr. OWENS, Mr. BRADLEY of New Hampshire, and Mr. SNYDER.

H.R. 1301: Mr. SANDLIN.

H.R. 1336: Mr. FERGUSON and Mr. COLE.

H.R. 1359: Mr. BELL.

H.R. 1367: Mr. JENKINS.

H.R. 1414: Mr. WAXMAN and Mr. GEORGE MILLER of California.

H.R. 1421: Mr. YOUNG of Alaska.

H.R. 1426: Mr. POMEROY.

H.R. 1428: Ms. BERKLEY.

H.R. 1470: Mr. PAYNE.

H.R. 1472: Ms. ROYBAL-ALLARD, Mr. UDALL of New Mexico, Mr. LIPINSKI, and Ms. ESHOO.

H.R. 1511: Mr. OTTER, Mr. MCKEON, Mr. CALVERT, Mr. JENKINS, Mr. ISTOOK, Mr. KNOLLENBERG, Mr. GREENWOOD, Mr. HASTINGS of Washington, Mr. FRELINGHUYSEN, and Mr. KOLBE.

H.R. 1554: Ms. CORRINE BROWN of Florida.

H.R. 1565: Mr. STRICKLAND and Mr. RYAN of Ohio.

H.R. 1580: Mr. NUSSLE.

H.R. 1592: Mr. RYAN of Ohio, Mr. OWENS, Ms. LOFGREN, and Ms. WOOLSEY.
H.R. 1599: Ms. CORRINE BROWN of Florida.
H.R. 1606: Mr. WILSON of South Carolina, Mr. BALLENGER, Mr. PAUL, Mr. BURR, Mr. MCINTYRE, and Mr. CALVERT.
H.R. 1608: Mr. RANGEL.
H.R. 1612: Mr. WICKER.
H.R. 1622: Mr. GALLEGLY, Mrs. CHRISTENSEN, Mr. MOORE, Mr. TIBERI, Mr. WILSON of South Carolina, Mr. LYNCH, Mr. ROGERS of Michigan, Mr. KLECZKA, Mr. BELL, Mr. ALLEN, Mr. DEUTSCH, Mr. STRICKLAND, Mr. LOBIONDO, Mr. LEWIS of Georgia, Mr. RUSH, Mr. GREEN of Texas, and Mr. SCHROCK.
H.R. 1627: Mr. WICKER.
H.R. 1628: Mr. RAHALL, Mr. GRIJALVA, Mr. ROHRABACHER, and Mr. TAYLOR of Mississippi.
H.R. 1653: Mr. MCGOVERN and Mr. BARRETT of South Carolina.
H.R. 1675: Mr. NEY.
H.R. 1717: Ms. LOFGREN and Mr. DELAHUNT.
H.R. 1735: Mr. GARRETT of New Jersey.
H.R. 1746: Mr. REYNOLDS, Mr. NUSSLE, Mr. FATTAH, and Ms. HARMAN.
H.R. 1749: Mr. WALDEN of Oregon, Mr. EVANS, and Mr. DEUTSCH.
H.R. 1754: Mr. DAVIS of Tennessee.
H.R. 1767: Mr. SIMPSON, Mr. HENSARLING, and Mr. SESSIONS.
H.R. 1769: Mr. SHERWOOD, Mr. WYNN, Mr. BROWN of Ohio, and Mr. ACKERMAN.
H.R. 1776: Mr. WILSON of South Carolina, Mr. REYNOLDS, and Mr. NUSSLE.
H.R. 1778: Mr. LUCAS of Oklahoma and Mr. MANZULLO.
H.R. 1785: Mr. GOODLATTE, Mr. GOODE, Mrs. JO ANN DAVIS of Virginia, Mr. HOLT, Mr. HASTINGS of Washington, and Mr. SCHROCK.
H.R. 1800: Ms. BALDWIN, Mr. SHERMAN, and Mr. LANGEVIN.
H.R. 1819: Mr. BARTON of Texas.
H.R. 1821: Ms. HARRIS, Mr. TERRY, Mr. WALSH, Mr. TAUZIN, Mr. WHITFIELD, Mr. ENGLISH, Mr. FLETCHER, Mr. GILLMOR, Ms. GRANGER, Mr. GREEN of Wisconsin, Mrs. MYRICK, Mr. NEY, Mr. OSE, Mr. OXLEY, Mr. SHERWOOD, Mr. BARTON of Texas, Mr. BURR, Mr. TOM DAVIS of Virginia, Mr. FRANKS of Arizona, Mr. NETHERCUTT, Mr. PUTNAM, Mr. STEARNS, and Mr. AKIN.
H.R. 1828: Ms. SLAUGHTER, Mr. REGULA, Mrs. TAUSCHER, Mr. BASS, Mr. SMITH of Texas, and Ms. DELAURO.
H.R. 1829: Mr. FEENEY, Mr. MICHAUD, Mr. NUSSLE, Mr. HOEFFEL, Mr. MCHUGH, Mr. LEVIN, Mr. BEAUPREZ, Ms. CARSON of Indiana, Mr. SHUSTER, Mr. STUPAK, and Mr. CARTER.
H.R. 1858: Ms. WATSON and Mr. ABERCROMBIE.
H.R. 1889: Ms. BALDWIN and Ms. CARSON of Indiana.
H.R. 1910: Mr. LARSEN of Washington, Mr. HOYER, Mr. POMEROY, Mr. RUSH, Mr. CLYBURN, Mr. CONYERS, and Mr. HONDA.
H.R. 1912: Mr. FOLEY.
H.R. 1913: Mr. KUCINICH.
H.R. 1914: Mr. RUPPERSBERGER.
H.R. 1916: Mr. PLATTS and Mr. BRADY of Pennsylvania.
H.R. 1917: Mr. FATTAH and Mr. OWENS.
H.R. 1918: Mr. FATTAH, Mr. OWENS, and Mr. PLATTS.
H.R. 1919: Mr. OLVER, Mr. OWENS, Mr. TANNER, and Mr. FATTAH.
H.R. 1923: Mr. KUCINICH.
H.R. 1930: Mr. FRANK of Massachusetts.
H.R. 1943: Mr. CAMP.
H.R. 1985: Ms. ESHOO.
H.R. 1989: Mr. TERRY.
H.R. 1997: Mr. BURNS.
H.R. 1999: Mr. LUCAS of Kentucky.
H.R. 2000: Ms. ROYBAL-ALLARD.
H.R. 2022: Mr. ABERCROMBIE.
H.R. 2037: Mr. FATTAH.
H.R. 2045: Ms. GINNY BROWN-WAITE of Florida.
H.R. 2047: Mr. PAYNE, Mr. RAMSTAD, and Mr. NEAL of Massachusetts.
H.R. 2052: Mr. LANTOS, Mrs. JO ANN DAVIS of Virginia, Mr. ISTOOK, Mr. MCDERMOTT, Mr. SANDERS, Mr. GREEN of Texas, Mr. CLAY, Mr. DEFAZIO, Mr. COSTELLO, Mr. KLECZKA, Mr. OLVER, Mr. TAYLOR of Mississippi, Mr. SIMMONS, Mrs. JONES of Ohio, Mr. BECERRA, Mr. BAIRD, Mrs. CAPPS, Mr. LEVIN, Mr. STENHOLM, Mr. BERRY, Mr. SABO, Ms. MILLENDER-MCDONALD, Mr. LEWIS of Georgia, Mr. MATSUI, Mr. ROTHMAN, Mr. LIPINSKI, Mr. MCGOVERN, Mr. OBERSTAR, Mr. TANNER, Ms. CORRINE BROWN of Florida, Mr. THOMPSON of Mississippi, Mr. OBEY, Mr. PASTOR, Mr. BLUMENAUER, Ms. KAPTUR, Mr. OWENS, Mr. GEORGE MILLER of California, Mr. KUCINICH, Mr. TIERNEY, Mr. HASTINGS, of Florida, Mr. KILDEE, and Mr. PETRI.
H.R. 2079: Mr. OSBORNE.
H.R. 2121: Mr. MCDERMOTT.
H.R. 2124: Mr. LANTOS, Mr. GREEN of Texas, and Mr. TERRY.
H.R. 2172: Mr. ENGLISH.
H.R. 2183: Mr. WELLER, Mr. VITTER, Mr. BAKER, and Mr. SCOTT of Virginia.
H.R. 2193: Mr. BAKER.
H.R. 2198: Mr. MARSHALL and Mr. LUCAS of Oklahoma.
H.R. 2214: Ms. GINNY BROWN-WAITE of Florida, Mr. TERRY, and Mr. WAMP.
H.R. 2237: Mr. MCDERMOTT, Mr. FROST, and Mr. PUTNAM.
H.R. 2242: Mr. INSLEE.
H.R. 2246: Mr. GUTIERREZ, Mr. BELL, Mr. TERRY, and Mr. LARSON of Connecticut.
H.R. 2249: Ms. GINNY BROWN-WAITE of Florida and Mr. TOOMEY.
H.R. 2250: Ms. CORRINE BROWN of Florida.
H.R. 2253: Mr. HERGER, Mr. ACEVEDO-VILA, Mr. MARKEY, Mr. GIBBONS, Mr. DOOLITTLE, Mr. LATOURETTE, Mr. CUNNINGHAM, and Mr. RADANOVICH.
H.R. 2256: Ms. MCCOLLUM, Mr. WAXMAN, Mr. CONYERS, Mr. KENNEDY of Rhode Island, Ms. KILPATRICK, Ms. BALDWIN, Mr. HINCHEY, Mr. MCNULTY, Mr. KLECZKA, Mr. SOUDER, and Mr. WAMP.
H.R. 2291: Mr. TIERNEY and Mr. EMANUEL.
H.R. 2318: Mr. TIERNEY, Mr. PORTER, and Mr. KUCINICH.
H.R. 2325: Ms. VELZQUEZ.
H.R. 2327: Ms. HART.
H.R. 2330: Mr. BAIRD, Mr. ALLEN, Ms. SCHAKOWSKY and Mr. KUCINICH.
H.R. 2333: Mrs. WILSON of New Mexico, Mr. STENHOLM, Mr. RYUN of Kansas, and Mr. STUPAK.
H.R. 2347: Mr. WILSON of South Carolina and Mr. RYUN of Kansas.
H.R. 2351: Mr. LUCAS of Kentucky.
H.R. 2360: Mr. FRANK of Massachusetts and Mr. FROST.
H.R. 2361: Mr. RAHALL and Mr. STUPAK.
H.R. 2372: Ms. LEE, Mr. JEFFERSON, and Mr. MARSHALL.
H.R. 2373: Mr. GEORGE MILLER of California.
H.R. 2379: Mr. GREEN of Wisconsin.
H.R. 2392: Mr. THOMPSON of California and Mr. QUINN.
H.R. 2404: Mr. REGULA.
H.R. 2406: Mr. JONES of North Carolina.
H.R. 2424: Mr. SCOTT of Virginia.
H.R. 2435: Mr. ISSA.
H.J. Res. 58: Mr. HAYWORTH, Mr. BARRETT of South Carolina, and Mr. KING of Iowa.
H. Con. Res. 60: Mr. TOOMEY, Mr. FRANKS of Arizona, Mr. CRANE, Mr. WYNN, Mr. CARDOZA, Mr. PICKERING, Mr. BACA, Mr. CALVERT, Mr. WAMP, Mr. STUPAK, Mr. WHITFIELD, and Mr. HERGER.
H. Con. Res. 98: Mr. ROHRABACHER and Mr. HASTINGS of Florida.
H. Con. Res. 194: Mr. WEXLER, Mr. MURTHA, Mr. HINCHEY, Mr. KILDEE, Mr. DAVIS of Tennessee, and Mr. PICKERING.
H. Con. Res. 209: Mr. KING of New York, Mr. GILLMOR, Mr. LAMPSON, Mr. EHLERS, Mr. TANNER, Mr. PRICE of North Carolina, and Mr. UDALL of Colorado.
H. Con. Res. 213: Mr. ANDREWS.
H. Res. 58: Ms. BERKLEY.
H. Res. 198: Mr. CALVERT and Mr. JANKLOW.
H. Res. 199: Mr. WYNN.
H. Res. 234: Mr. DAVIS of Florida and Mr. ROTHMAN.
H. Res. 242: Mr. ORTIZ.
H. Res. 260: Mr. KLECZKA.
H. Res. 264: Mr. BEREUTER.
H. Res. 267: Mr. MCINTYRE and Mr. MARSHALL.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petition was filed:

Petition 2. June 12, 2003, by Mr. JIM MARSHALL on House Resolution 251, was signed by the following Members: Jim Marshall, Chet Edwards, William D. Delahunt, Loretta Sanchez, Bill Pascrell, Jr., Tom Udall, Maurice D. Hinchey, Zoe Lofgren, Michael R. McNulty, Juanita Millender-McDonald, Robert Menendez, Betty McCollum, Joe Baca, Bob Filner, Artur Davis, Linda T. Sanchez, Lois Capps, James R. Langevin, Vic Snyder, Carolyn McCarthy, Dennis Moore, Steve Israel, Tammy Baldwin, Danny K. Davis, Raul M. Grijalva, Hilda L. Solis, Lane Evans, Charles B. Rangel, Timothy H. Bishop, Dale E. Kildee, Patrick J. Kennedy, Sanford D. Bishop, Jr., Mike McIntyre, Bobby L. Rush, Robert E. Andrews, Jay Inslee, Julia Carson, Diane E. Watson, Thomas H. Allen, David E. Price, Charles A. Gonzalez, Stephen F. Lynch, Wm. Lacy Clay, Eddie Bernice Johnson, Lincoln Davis, Sheila Jackson-Lee, Susan A. Davis, Lynn C. Woolsey, Michael F. Doyle, Charles W. Stenholm, Jim Cooper, Rodney Alexander, John Lewis, Christopher John, Joseph Crowley, Gene Taylor, Nick J. Rahall, II, Bob Etheridge, David Scott, Edolphus Towns, Tom Lantos, Michael H. Michaud, John B. Larson, Rick Larsen, Rosa L. DeLauro, Frank W. Ballance, Jr., Peter A. DeFazio, Ellen O. Tauscher, Bernard Sanders, Mike Ross, Barney Frank, Mark Udall, Mike Thompson, Timothy J. Ryan, Shelley Berkley, John W. Olver, Chris Bell, John S. Tanner, Rahm Emanuel, William J. Jefferson, Steny H. Hoyer, Nydia M. Velazquez, Darlene Hooley, Diana DeGette, Jim Matheson, Adam B. Schiff, Nancy Pelosi, Gregory W. Meeks, James P. McGovern, Elijah E. Cummings, Chris Van Hollen, Jim McDermott, Baron P. Hill, Thomas G. Tancredo, Karen McCarthy, Jose E. Serrano, Maxine Waters, Corrine Brown, Marcy Kaptur, Sander M. Levin, Brad Carson, Bart Gordon, Kendrick B. Meek, Ken Lucas, Bennie G. Thompson, Earl Pomeroy, James P. Moran, Martin Frost, Janice D. Schakowsky, Lucille Roybal-Allard, Xavier Becerra, Albert Russell Wynn, James E. Clyburn, Ciro D. Rodriguez, Stephanie Tubbs Jones, Barbara Lee, Allen Boyd, Leonard L. Boswell, and Robert Wexler.