



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 108th CONGRESS, FIRST SESSION

Vol. 149

WASHINGTON, WEDNESDAY, SEPTEMBER 10, 2003

No. 124

House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SHAW).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 10, 2003.

I hereby appoint the Honorable E. CLAY SHAW, Jr., to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Dr. Kathryn A. Towne, President, Life in Faith and Truth Ministries, Lakewood, Colorado, offered the following prayer:

Let us bow our hearts before the Lord.

Our Lord God, the Sovereign over this great and wonderful Nation in which we live, we come to You humbly today. Thank You for the opportunity to lead the people of the United States of America. Be present, O God of Wisdom, and direct the councils of this honorable United States House of Representatives. Give insight, understanding, and discernment to each Member so they can exercise their duties for the betterment of their districts and this Nation.

May we all be reminded that righteousness exalts a nation. As these dedicated legislators meet in this Chamber or elsewhere, may their every decision, their every judgment, and their every action be said and done in righteousness. Their job is great; but You, the Almighty, give grace and direction as we ask for help.

Be pleased to grant strength and comfort to these leaders and their families. We ask in Your name. Amen.

THE JOURNAL

The SPEAKER pro tempore. 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.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from California (Ms. LORETTA SANCHEZ) come forward and lead the House in the Pledge of Allegiance.

Ms. LORETTA SANCHEZ of California 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment a bill of the House of the following title:

H.R. 1668. An act to designate the United States courthouse located at 101 North Fifth Street in Muskogee, Oklahoma, as the "Ed Edmondson United States Courthouse".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minutes on each side.

RESOLVE TO SEE IT THROUGH

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

Mr. STEARNS. Mr. Speaker, hours before President Bush's speech Sunday night, the top U.S. commander in Iraq

summed up in a single sentence the importance of creating a free and democratic Iraq. Lieutenant General Ricardo Sanchez said, "The only way we will fail in this country is if we decide to walk away in Iraq and fight the next battle in the war on terrorism in the United States of America." That is a stark assessment.

The President said the United Nations not only has an opportunity but a responsibility to assume a broader role in assuring that Iraq becomes a free and democratic nation. Nations that enjoy the richness of freedom have a moral obligation, when possible, to share their political and spiritual assets with countries that suffer from the poverty of totalitarianism.

Mr. Speaker, that has been the creed of this country. The American people must have the resolve to see this through.

U.S. STRETCHED TOO THIN

(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 express my great concern over the direction the Bush administration is leading our country. Simply put, we are spread too thin on every front. As a whole, our military is dangerously overextended. Just yesterday, our National Guard and Reservists were informed that their tours in Iraq have now been extended to 1 year, months longer than many initially anticipated.

Deficits are at a record high, homeland security spending is grossly inadequate, and the true cost of our military campaigns in Iraq and Afghanistan is becoming more apparent every day. Just this past week, President Bush requested an additional \$87 billion from Congress, an emergency spending request not seen since the early months of World War II.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



Printed on recycled paper.

H8089

On top of all this, on top of all this, President Bush is still demanding that Congress make his expiring tax cuts permanent, a measure that will cost over \$1.1 trillion through 2013. Mr. President, where are we going to get this money from?

TRIBUTE TO ALBERT CLAUDE
"A.C." BARGER

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

Mr. BRADY of Texas. Mr. Speaker, they say you make a living by what you get, but you make a life by what you give. By that measure, A.C. Barger of Centreville, Texas, lived a very rich life. He was a Korean War veteran and a successful businessperson. I knew him when I first ran for the State legislature. And, honestly, without his help and his leadership, I would not be serving in Congress today.

More than that, he gave back to his community every day of his life. He served on the Trinity River Authority, was a member of the Silver Haired Legislature, was director of the Leon County Crime Stoppers, and he founded and was commander of the local VFW post. He loved children, and so he was Santa on the Square for 17 years and for the senior citizens. He started the Leon County Career Day and founded the Leon County Drill Team. He was selected man of the year. He just gave and gave and gave.

A.C. recently passed away. I know his wife, Darlene, daughters and family, and all will miss him. Our Nation, our State of Texas, our community, is better for A.C.'s life. He is a national treasure and will be missed.

THANK YOU TO GENERAL
SHINSEKI AND LARRY LINDSEY

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

Mr. EMANUEL. Mr. Speaker, well over 6 months ago, Secretary of the Army, General Shinseki, was asked his opinion about how many soldiers we would need in Iraq. He said a couple hundred thousand. Today, we have about 180,000 troops in Iraq and Kuwait. The President's economic adviser, Larry Lindsey, was asked what he thought the cost of the war would be. He said around \$200 billion. Today, we are nearing \$160 billion.

When those two gentlemen were asked their professional judgment, they were run out of town, ridiculed, their careers were run down for what they did. Today, as we look at what they said 6 months ago, they were right on both accounts.

We do not do this enough in this town. So to General Shinseki and to Larry Lindsey, I want to thank you for your patriotism and I want to thank you for your honesty. Had we listened

to you a long time ago, or at least had the willingness to have an honest debate, we would have known that we would have 187,000 troops in the Iraq theatre of war. And to Larry Lindsey, who predicted it would cost us about \$200 billion of hard-earned taxpayer money, if we had listened to you rather than run you down, we would be honest and be able to handle this \$87 billion that the President has requested.

So, again, thank you for your patriotism and thank you for your honesty.

THE WAR ON TERRORISM

(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, Sunday night President Bush addressed the Nation for the first time since the end of major combat in Iraq. He showed the world once again, as ever, his determination, his tenacity to see this war through to its just conclusion, to bring peace and independence and security and freedom to the people of Iraq.

The President also called on this Congress in the next month to appropriate nearly \$90 billion in supplemental spending for military and reconstruction efforts, and so we should address that astonishing number thoughtfully and carefully, as we are charged to do under the Constitution.

But I would offer two humble principles. Number one, our troops have every penny they need to get the job done and come home safe. But it is time on the subject of reconstruction, Mr. Speaker, that we begin to ask our partners in the Coalition of the Willing to contribute their resources along with the American people to rebuilding Iraq.

THE WAR ON TERRORISM

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

Mr. RODRIGUEZ. Mr. Speaker, today I rise on a bipartisan bill, H.R. 2433, the Health Care for Veterans of Project 112. Project 112 was a series of military tests that were conducted during the Cold War in the 1960s. Many of these tests happened at sea and some on land.

The Department of Defense has admitted that they have no evidence that test participants were ever told about the tests, so we are extremely concerned about that in some cases. It is impossible to believe that the military exposed its own troops to such potent gases such as VX nerve gas and sarin. Veterans are naturally concerned about what has transpired and the information that we have received.

We have filed legislation and this will give us the opportunity to begin to examine these troops. We anticipate close to 6,000 troops might have been impacted by these tests. The VA has

also requested this legislation to allow them to be able to do this test, and I am extremely pleased it is a bipartisan piece of legislation. So I ask for my colleagues' support of H.R. 2433.

HONORING THE M&N AUGUSTINE
FOUNDATION

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

Mr. BOOZMAN. Mr. Speaker, I rise today to honor Dr. Merlin Augustine and the M&N Augustine Foundation for a decade of service to the third district of Arkansas. The M&N Augustine Foundation embodies the spirit of neighbor helping neighbor. Their mission is to help individuals who, through no fault of their own, are down on their luck. They have accomplished great things to this end, including finding housing for the homeless, moving moms off welfare into paying jobs, providing funeral expenses for those without life insurance, and making holidays like Halloween and Christmas more enjoyable for underprivileged children.

I personally had a chance to help some of the foundation's 800-plus volunteers provide over 20,000 home-cooked meals to senior citizens, homeless individuals, and unemployed persons during their annual Easter Feed Program. Mr. Speaker, Dr. Augustine's contributions to our community are invaluable. He and the hundreds of volunteers of his foundation exemplify the spirit of charitable giving that President Bush so often speaks of, and I appreciate the opportunity to commend them here today.

THE AMERICAN PARITY ACT

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

Mr. DEFAZIO. Mr. Speaker, the President gave quite a speech Sunday night. More of the same failing policy with a new face and a new breath-taking price tag, \$87 billion he wants to borrow now. And he wants to borrow \$20.5 billion from the American people to rebuild the roads, bridges, ports, water and electric systems in Iraq.

□ 1015

Mr. Speaker, what about here at home? We have to say maybe we could use some investment here in the United States on our bridges, roads, ports, water and electric systems.

So the gentleman from Illinois (Mr. EMANUEL) and I have introduced the American Parity Act, and I urge my colleagues to support it. The President would have to match dollar for dollar every dollar that he borrows from the American people to invest in Iraq, he has to invest a dollar here for the same purposes here in the United States of America. \$20.5 billion for infrastructure in the United States could put a million people to work in this country and

begin to rebuild our crumbling infrastructure with our tax dollars as opposed to a nation far across the sea. I urge my colleagues to support the American Parity Act.

FRANKIE MAYO MAKES A DIFFERENCE

(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, I rise today to express appreciation to a true American hero, Frankie Mayo. Frankie's son, Corporal Christopher Tomlinson, is serving in Iraq as part of the 300th Military Police Company, which is based in my district, Fort Riley, Kansas.

Frankie, like all military mothers, is proud of her son's service. What makes Frankie different is what she is doing to care for her son and the soldiers serving alongside him. In an e-mail to his mom, Corporal Tomlinson jokingly asked for an air conditioner to combat the scorching desert heat. Much to his surprise, a package arrived containing air conditioners, along with other units for others serving with him and his company. This news resulted in hundreds of requests for air conditioners. With the help of individuals and corporate donations, Frankie and her family have shipped hundreds of units to soldiers in Iraq.

I rise today to thank Frankie, but also point others to her example. Frankie's dedication is a perfect example of how we can make a difference in the lives of those around us.

2-YEAR ANNIVERSARY OF SEPTEMBER 11

(Mrs. MILLER of Michigan asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MILLER of Michigan. Mr. Speaker, 2 years ago cowardly terrorists attacked our Nation, killing innocent Americans who were simply going about their daily lives, and the aim of those terrorists was to change America. Well, the terrorists did change America, but not how they had hoped, because they renewed our patriotic pride for our Nation and what it stands for. They steeled our resolve and commitment to defeat the enemies of freedom.

The true spirit of America is not to run away from a fight or wring our hands. Our true spirit was shown by the brave firefighters and police officers who charged into those burning towers to save fellow citizens. Our true spirit has been reflected by our men and women in uniform who have topped the Taliban and Saddam Hussein bringing freedom to Afghanistan and Iraq.

My message to the terrorists is this: You have failed. America's spirit has been strengthened, our purpose re-

newed, our dedication to freedom is stronger than ever. God bless America.

SUCCESS IN THE WAR ON TERRORISM

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

Mr. WILSON of South Carolina. Mr. Speaker, tomorrow is the 2-year anniversary of the most heinous act of war this Nation has ever experienced. The September 11 attacks were made against unarmed Americans by a sadistic terrorist network beginning the war on terrorism.

Today we are winning that war. Realizing the seriousness of the threat of our freedoms and liberties, our Commander in Chief, President Bush, has displayed true courage and leadership in hunting down terrorists all over the world and bringing them to justice. First by bringing down the barbaric Taliban in Afghanistan, and then by ending the evil regime of Saddam Hussein in Iraq, the men and women of our Armed Forces have eliminated the terrorist breeding grounds while bringing freedom to millions. Today, over 90 countries are part of the coalition against terrorism. Although we cannot predict the end of the war, we are thankful in 2 years since the 9/11 attacks there have not been other major attacks at home. While our Nation's resolve will be tested, I have faith with the President and his cabinet, we will continue winning the war on terrorism. May God bless our troops.

REMEMBERING SEPTEMBER 11

(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, before September 11, 2 years ago, this Nation was unaware that terrorists were planning the most deadly attack in our history. Nearly 3,000 men, women and children were killed in an act of war, the most horrific act of violence many of us have ever seen.

Tomorrow we will honor their memory. We should never forget why they died, because the agents of evil could not stand the freedom that our country represents. These enemies of freedom believed that we lacked the will to oppose them. They attacked our country and declared war on our way of life. Their intent is not our defeat, their intent is our destruction. I am proud of the way this country responded. I am proud of our troops who fought bravely to bring freedom to so many, and I am proud of our Commander in Chief who has led us in the war against terror with a steady hand. On this second anniversary, let us renew our resolve to rid the world of terrorism.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SHAW). Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken later today.

RESTORING OPERATION OF THE NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM DURING FISCAL YEAR 2003 TO SCOPE IN EFFECT ON SEPTEMBER 30, 2002

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2595) to restore the operation of the Native American Veteran Housing Loan Program during fiscal year 2003 to the scope of that program as in effect on September 30, 2002.

The Clerk read as follows:

H.R. 2595

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

SECTION 1. OPERATION OF NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM.

(a) RESTORATION FOR FISCAL YEAR 2003 TO FISCAL YEAR 2002 LEVEL.—In carrying out the pilot program provided by subchapter V of chapter 37 of title 38, United States Code, under which the Secretary of Veterans Affairs is authorized to make direct housing loans to Native American veterans, the Secretary shall during fiscal year 2003 carry out that program without regard to the proviso under the heading "Native American Veteran Housing Loan Program Account" in title I of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2003 (division K of Public Law 108-7; 117 Stat. 476), and such proviso shall be treated as being of no force or effect.

(b) SAVINGS PROVISION.—Any action taken by the Secretary of Veterans Affairs before the enactment of this Act that is inconsistent with the proviso referred to in subsection (a) is hereby ratified with respect to such inconsistency.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation would restore the operation of the Native American Veteran Housing Loan Program during the current fiscal year to the scope of that program as it was in effect on September 30, 2002.

The Native American Veteran Home Loan Program was established in 1992 as a 5-year pilot program, and Congress has extended it twice, most recently through 2005. This program is intended to assist eligible veterans living on trust or equivalent lands to secure

loans at market rates to purchase, build or to renovate homes. VA has made over 300 home loans under this program. The Department of Veterans Affairs has stopped making loans under the Native American direct loan program because of a limitation contained in the 2003 Appropriations Act, which capped the amount of loans that can be made under this program to \$5 million. This limitation was requested by the administration with the assumption that the limit would not be breached. VA advised us as of June 11 in a letter that it has already exceeded that limit.

Mr. Speaker, 47 loans have already been made during the fiscal year, many of them refinancing loans. The VA committee has been advised that construction of a number of homes has been suspended directly attributable to the imposition of this moratorium. Pending applications are also on hold. I see no reason, in effect, why our Native American veterans should lose access to home loans in this way. We should celebrate their success, not put an artificial cap on it, especially at a time when refinancing is a way to save veterans thousands of dollars each and every year. We need to end this moratorium as soon as possible, and that is the purpose of this legislation.

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

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

Mr. Speaker, I rise in strong support of this resolution. This will correct the terrible error that is depriving Native American veterans access to home loans under the Native Americans Veterans Housing Program.

While the necessary funding for this loan program has already been appropriated, the administration requested a cap of \$5 million on the loans of fiscal year 2003. By the time that fiscal year 2003 appropriations bill was signed, the cap had already been exceeded. Some Native Americans in Hawaii have partially built their homes but now are unable to complete that construction. This is no way to treat the brave Americans who fought for our country. This is a mistake that must be corrected now. Mr. Speaker, this bill would simply remove the existing cap on expenditures under this program. No additional funding is needed to restore the program to its original intent. I urge all Members to support this bill.

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

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona (Mr. RENZI), a member of the Committee on Veterans' Affairs.

Mr. RENZI. Mr. Speaker, I am privileged to represent more Native Americans than any other congressman. Recently my good friend, the gentleman from New Mexico (Mr. UDALL), and I visited the Navajo Nation, the homeland of the Code Talkers, a distinct group of individuals that made signifi-

cant contributions to the security of our Nation in World War II.

It is deplorable to visit the Navajo Nation and see the conditions of their children, of their families, living in dilapidated housing. Therefore, Congress enacted legislation to establish a program to address this difficulty. What makes it harder is that Native Americans live on sovereign land and the ability to secure collateral makes it harder for loans to be made.

The program that was established by Congress to address this issue is scheduled to conclude at the end of this fiscal year. However, because we set a cap limiting the number of loans under this program, the Department of Veterans Affairs exceeded the limit earlier this year. H.R. 2595 would lift the caps and allow the Department to continue to process the backlog of new loan applications.

I am proud to be a cosponsor of H.R. 2595 and believe the program provides equal opportunity to all veterans, especially Native Americans, to become homeowners.

In October 2000 a joint study of the Department of Housing and Urban Development and the Department of Treasury found that ownership among Native Americans is among the lowest in the country at just 33 percent. We must hold true and honor our commitment to those who served the Nation and help Native American veterans enjoy the security of homeownership. This program has been successful in making homeownership a reality for Native American Indian veterans. For those who bravely fought to sustain this prosperous Nation, we should lift the barriers they face in homeownership.

I urge my colleagues to vote favorably in favor of H.R. 2595.

Mr. EVANS. Mr. Speaker, I yield 3 minutes to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Speaker, as an original cosponsor of this bill, I rise today to offer my strong support for the restoration of the Native American housing loan program. In the past, this program has benefited many of my constituents. Restoring it today will ensure that many more will benefit in the future.

Traditionally, veterans living on tribal land, including allotted land, were not eligible for the VA home loan guarantees. However, this program has allowed many Native American veterans who might otherwise have been unable to obtain suitable housing or acquire direct home loans to do just that.

In the 107th Congress, I introduced a bill to extend this program through fiscal year 2005. That bill was included in a bill that became Public Law 107-103. Language in the omnibus appropriations bill passed earlier this year caps the program at \$5 million. The loans of many Native American veterans have been cut off. As I speak, there are homes that were begun under this pro-

gram that remain half constructed. All over the Nation, Native American veterans trying to refinance their homes cannot do so because of this provision.

Additionally, those veterans who have had their loans approved for construction cannot get the money they were promised. By restoring this program, we are providing an opportunity for Native American veterans with existing loans, as well as additional deserv-ing Native American veterans to get home loans.

Poverty, lack of economic opportunity, and a shortage of financing for decent affordable housing have created housing conditions on Native American lands that may only be described as deplorable.

□ 1030

Almost one in three Native Americans living on a reservation is poor. Many Native Americans have honorably served our country in the Armed Forces. In fact, historically Native Americans have the highest record of service per capita of any ethnic group. Let us continue to help them by restoring this much-needed program.

In closing, I would like to thank Chairman SMITH, Ranking Member EVANS, and the staff of the Committee on Veterans' Affairs for their speedy work on this bill. This is an important piece of legislation. I urge my colleagues to support it.

Mr. EVANS. Mr. Speaker, I yield 2 minutes to the gentleman from Hawaii (Mr. CASE).

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

Mr. CASE. Mr. Speaker, amidst all of the disagreement and debate on this floor over things like war and deficits, this is a good-news story. I want to start some decades ago recognizing my political mentor, a former Member of this Chamber, my predecessor, Spark Matsunaga, a veteran himself, who went back and tried to determine whether the veterans home loan program, a successful program, was working for Native American veterans living on tribal or trust territory lands. The answer was a resounding "no." The reason was because those lands contained restraints on alienation that are not applicable to other lands. So, therefore, conventional mortgage practices were not working. My predecessor and my current Senator, DANIEL AKAKA, took up the cause and initiated the legislation which we are now addressing to provide for this program to be applied on trust territory lands, the lands of the indigenous peoples of our country, whether they be in Alaska, in North America or Hawaii or the Pacific Islands.

A very successful program arose, so successful that in the Pacific, in 300 loans granted under this program over the last 10 years, there has been one delinquency out of 300 programs. Three hundred programs, 100 paid in full, 200

being paid in full, one delinquency, a fantastic program that has accomplished its purpose. This is good news. This is good news because we made a mistake and we are coming back to correct it and we all know it. The administration deserves credit for this, the ranking member deserves credit, the Chair deserves credit, the appropriations committee deserves credit. What we are going to do is to take a program that has been successful and continue it. By the way, when you score this program, we are always talking about money, this program, if this bill goes through, will return \$1 million to the U.S. Treasury. That is how successful this is. We are not spending money; we are generating money from this program because of the low delinquency rates.

I thank everybody involved. I commend this bill to the Members and urge its expeditious passage.

Mr. EVANS. Mr. Speaker, I yield 4 minutes to the gentleman from American Samoa (Mr. FALEOMAVAEGA).

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

Mr. FALEOMAVAEGA. Mr. Speaker, I certainly want to thank the distinguished chairman of the Committee on Veterans' Affairs from New Jersey and our senior ranking member from Illinois for their leadership and for their sensitivity in bringing this legislation to the floor for consideration.

Mr. Speaker, as an original cosponsor of the original legislation that was offered 10 years ago, I think it is time that we no longer should call this legislation a pilot program. It has matured. I certainly want to urge my colleagues that we should increase not only the authorization as well as the funding levels for this important program.

I rise today in support of H.R. 2595, a bill to restore the operation of the Native American Veteran Housing Loan Program for fiscal year 2003. This program permits the Department of Veterans Affairs to provide direct home loans to Native American veterans who live not only on tribal lands but also on homestead lands and communal lands. Eligible native veterans can then use direct loan funding to purchase, construct or improve a home on Native American trust land. These loans may also be used simultaneously to purchase and improve a home or to refinance another VA direct loan.

This pilot program extends to Native Americans, native Hawaiians, and also to my constituents in American Samoa. As a result, this program has been crucial to providing American Samoan veterans the opportunity to build and own their own homes, an opportunity that would not otherwise be available to them. VA's annual report to Congress for fiscal year 2002 reports that over 62 loans have been closed; but for the 10-year period, hundreds of loans have been approved because of this program.

As I explained earlier, Mr. Speaker, for the benefit of my colleagues so we

can better appreciate this unique home loan program for our native veterans, the thousands of American Indian veterans who live in reservations, when they returned to their homes, they could not obtain a commercial home loan as you would someone who lived in a commercially owned property, a fee simple, living in reservations. The same is true with our native Hawaiian veterans who live in what is known as "homestead lands," in the same situation where commercial lending institutions would not lend us money to build homes under a veterans program. The same is also true with my own veterans who live on communal lands. This is a unique program. I am very, very happy that we are able to continue the funding levels but also more importantly we need to make sure that this program continues.

Mr. Speaker, the Native American Veteran Housing Loan Program has been successful in providing our native veterans the opportunity to build and own their own homes. It provides our native veterans the ability to continue to live in their own lands, to contribute to their communities, and to build a legacy to leave their families. This program needs increased authorization and funding in the years to come. I urge my colleagues to support this legislation.

Mr. EVANS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Guam (Mr. BORDALLO).

(Mr. BORDALLO asked and was given permission to revise and extend her remarks.)

Ms. BORDALLO. Mr. Speaker, when Congress authorized the Native American home loan bill in 1993, it recognized the poverty and the homelessness of veterans from the Pacific Islands. It recognized that those veterans needed special assistance to access the necessary financing to put a roof over their heads. Ten years later, the funding has expired, but the challenge remains the same.

Mr. Speaker, I understand that when the Department of Veterans Affairs shut down the lending program, they were on the verge of approving a loan to a Guam applicant. So I am pleased to join with my colleagues, Chairman SMITH and Ranking Member EVANS, in providing the funding authorization necessary to continue the program.

A noteworthy aspect of the Native American home loan bill is that it withholds a loan fee from applicants with a service-connected disability. Each time I meet with veterans in Guam and hear their descriptions of living with the effects of Agent Orange or a post-traumatic stress disorder, I am reminded that we have yet to repay the service that these men and women have given to our Nation. We need to provide adequate veterans benefits and services not just near where a military base or a VA processing center is but where the veterans are, places like the tribal lands of Colorado and the Chamorro land trust properties of Guam.

I hope that our action here today will bring attention to the good work of the program and increase the knowledge of the program amongst Native American communities.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

I just want to thank the gentleman from Illinois for his leadership on this and for working so cooperatively with us. I also thank the gentleman from Arizona (Mr. RENZI), the gentleman from New Mexico (Mr. UDALL), the gentleman from Hawaii (Mr. ABERCROMBIE), the gentleman from Hawaii (Mr. CASE), the gentlewoman from Guam (Mr. BORDALLO), the gentleman from Maine (Mr. MICHAUD), and the gentleman from American Samoa (Mr. FALEOMAVAEGA) for his cosponsorship of this legislation. I appreciate it very much and urge the body to adopt it.

Mr. FALEOMAVAEGA. Mr. Speaker, I would like to thank Chairman CHRIS SMITH and Ranking Member LANE EVANS for their support and diligent work regarding Native American issues. Today I rise in support of H.R. 2595, a bill to restore the operation of the Native American Veteran Housing Loan Program during Fiscal Year 2003. This pilot program permits the Department of Veterans Affairs to provide direct home loans to Native American veterans who live on tribal lands. Eligible native veterans can use direct loan funding to purchase, construct, or improve a home on Native American trust land. These loans may also be used to simultaneously purchase and improve a home or to refinance another VA direct loan.

This pilot program extends to Native Americans, Native Hawaiians and to my constituents in American Samoa. For the benefit of my colleagues and so that we can better appreciate this unique home loan program, I want to explain that most native veterans living on communal or tribal lands. This is true for American Indian veterans who live on reservation lands. The same is true of our Native Hawaiian veterans who live on what is known in Hawaii as Homestead lands. The same is also true with American Samoan veterans who live on communal lands which cannot be sold as commercial or as fee simple property.

Given the unique status of communal lands, thousands of native veterans have been denied loans by our commercial lending institutions and banks. However, with the creation of this pilot program, many of our native veterans are able to build and own their own homes and the VA reported that in 2002 it had closed on a total of 289 loans under the terms of this pilot program.

Recently, Public Law 108-7, Consolidated Appropriations Resolution, placed a cap of \$5 million on the amount of loans that could be approved under the program. But, at the time this law was enacted, VA had already exceeded this cap. As a result, VA is unable to make new loans for the remainder of the fiscal year. Because of this new cap, veterans are unable to complete construction on homes already in progress. This is unfair to our native veterans and it is imperative that Congress remedy this situation. H.R. 2595 will accomplish this. H.R.

2595 will reinstate the program retroactively and validate the loans which have already been made.

The Native American Veteran Housing Loan Program has been successful in providing our native veterans the opportunity to build and own their own homes. It provides our native veterans the ability to continue to live on their native lands, to contribute to their communities, and to build a legacy for their families. It is the responsibility of Congress to reinstate this important program, to recognize the contributions made by our native veterans to our Nation and to afford them the opportunity to participate and realize the American dream of owning their own homes.

This program needs increased authorization and funding in the years to come and I urge my colleagues to support this legislation.

Mr. ABERCROMBIE. Mr. Speaker, I rise in strong support of this bill to reinstate the Native American Veteran Housing Loan program.

I would like to thank the Chairman of the Committee on Veterans' Affairs, Mr. SMITH, the Ranking Member, Mr. EVANS, and the staff of the Committee on Veterans' Affairs for their work in crafting this much-needed remedy to the present situation. I would also like to thank Senator AKAKA for his leadership over the years on this issue. He and his staff have been tireless in their efforts to rectify this problem since it arose in May.

In 1992, the Native American Veterans Home Loan Equity Act was enacted to establish and implement a pilot program to make direct housing loans to aid Native American (Indian, Alaska or Hawaii native, or Pacific Islander) veterans in purchasing, constructing, or improving, dwellings on trust land. Almost 11 years later, the VA has closed several hundred loans, and the program is a resounding success.

Native Hawaiian veterans have greatly benefited from the loan program. Through the end of Fiscal Year 2002, 300 loans were closed throughout the Pacific. Of the 300 loans, about 215 were new construction loans, with the balance consisting of Interest Rate Reduction Loans. Although Hawaii has the highest loan volume, American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam have significant levels of activity. About 100 of the 300 loans have been paid in full and the other 200 are active and performing. Only one loan termination has occurred to date since 1992.

This year's dramatic increase in use of the program mirrors the national upswing in financing new construction and refinancing existing loans. Home ownership has long been a hallmark of financial growth and community stability, and it's encouraging to see so many vets in my own state enjoying this benefit. However, I deeply regret that more of our Native American veterans were unable to take advantage of the 40-year historic low financing rates available a mere two and a half months ago. The untimely halt to this past May cut off deserving veterans from this financial tool. Mr. Speaker, I hope that we can do better in the future to correct such problems before they cause inadvertent harm.

In the end, this measure is about equity. The Native American Veterans Direct Loan program exists to afford our Native American, Native Hawaiian, Alaskan Native, and Pacific Islander veterans on trust lands the same benefits available to the rest of our veterans com-

munity. We need to sustain this program—it's a matter of fairness.

I urge my colleagues to support this measure.

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

The SPEAKER pro tempore (Mr. SHAW). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 2595.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

HEALTH CARE FOR VETERANS OF PROJECT 112/PROJECT SHAD ACT OF 2003

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2433) to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to provide veterans who participated in certain Department of Defense chemical and biological warfare testing to be provided health care for illness without requirement for proof of service-connection, as amended.

The Clerk read as follows:

H.R. 2433

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 "Health Care for Veterans of Project 112/Project SHAD Act of 2003".

SEC. 2. PROVISION OF HEALTH CARE TO VETERANS WHO PARTICIPATED IN CERTAIN DEPARTMENT OF DEFENSE CHEMICAL AND BIOLOGICAL WARFARE TESTING.

Section 1710(e) of title 38, United States Code, is amended—

(1) in paragraph (1), by adding at the end the following new subparagraph:

"(E) Subject to paragraphs (2) and (3), a veteran who participated in a test conducted by the Department of Defense Desert Test Center as part of a program for chemical and biological warfare testing from 1962 through 1973 (including the program designated as "Project Shipboard Hazard and Defense (SHAD)" and related land-based tests) is eligible for hospital care, medical services, and nursing home care under subsection (a)(2)(F) for any illness, notwithstanding that there is insufficient medical evidence to conclude that such illness is attributable to such testing."

(2) in paragraph (2)(B), by striking out "paragraph (1)(C) or (1)(D)" and inserting "subparagraph (C), (D), or (E) of paragraph (1)"; and

(3) in paragraph (3)—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(D) in the case of care for a veteran described in paragraph (1)(E), after December 31, 2005."

SEC. 3. IMPROVEMENTS TO THE RETENTION AND RECRUITMENT OF HEALTH CARE PROFESSIONALS.

(a) PROMOTION STANDARDS FOR HEALTH CARE PERSONNEL.—Subsection (c) of 7403 of title 38,

United States Code, is amended by striking "Promotions" and inserting "Consistent with subsection (a) of section 7422 of this title, and notwithstanding subsection (b) of that section, promotions".

(b) PROMOTIONS FOR NURSES WHO DO NOT HAVE BACCALAUREATE DEGREES.—Such section is further amended by adding at the end the following new subsection:

"(h) In a case in which a registered nurse has accomplished the performance elements required for promotion to the next grade, the lack of a baccalaureate degree in nursing shall not be a bar to promotion to that grade, and in such a case the registered nurse shall not be denied a promotion on that basis."

SEC. 4. ADDITIONAL PAY FOR SATURDAY TOURS OF DUTY FOR ADDITIONAL HEALTH CARE WORKERS IN THE VETERANS HEALTH ADMINISTRATION.

(a) IN GENERAL.—Section 7454(b) of title 38, United States Code, is amended by adding at the end the following new paragraph:

"(3) Employees appointed under section 7408 of this title shall be entitled to additional pay on the same basis as provided for nurses in section 7453(c) of this title."

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to pay periods beginning on or after the date of the enactment of this Act.

SEC. 5. COVERAGE OF EMPLOYEES OF VETERANS' CANTEEN SERVICE UNDER ADDITIONAL EMPLOYMENT LAWS.

(a) COVERAGE.—Paragraph (5) of section 7802 of title 38, United States Code, is amended by inserting before the semicolon a period and the following: "An employee appointed under this section may be considered for appointment to a Department position in the competitive service in the same manner that a Department employee in the competitive service is considered for transfer to such position. An employee of the Service who is appointed to a Department position in the competitive service under the authority of the preceding sentence may count toward the time-in-service requirement for a career appointment in such position any previous period of employment in the Service".

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) by striking the semicolon at the end of each of paragraphs (1) through (10) and inserting a period;

(2) by striking "The Secretary" and all that follows through "(1) establish," and inserting "(a) LOCATIONS FOR CANTEENS.—The Secretary shall establish,";

(3) by redesignating paragraphs (2) through (11) as subsections (b) through (k), respectively, and by realigning those subsections (as so redesignated) so as to be flush to the left margin;

(4) in subsection (b) (as so redesignated), by inserting "WAREHOUSES AND STORAGE DEPOTS.—The Secretary shall" before "establish";

(5) in subsection (c) (as so redesignated), by inserting "SPACE, BUILDINGS, AND STRUCTURES.—The Secretary shall" before "furnish";

(6) in subsection (d) (as so redesignated), by inserting "EQUIPMENT, SERVICES, AND UTILITIES.—The Secretary shall" before "transfer";

(7) in subsection (e) (as so redesignated and as amended by subsection (a)), by inserting "PERSONNEL.—The Secretary shall" before "employ";

(8) in subsection (f) (as so redesignated), by inserting "CONTRACTS AND AGREEMENTS.—The Secretary shall" before "make all";

(9) in subsection (g) (as so redesignated), by inserting "PRICES.—The Secretary shall" before "fix the";

(10) in subsection (h) (as so redesignated), by inserting "GIFTS AND DONATIONS.—The Secretary may" before "accept";

(11) in subsection (i) (as so redesignated), by inserting "RULES AND REGULATIONS.—The Secretary shall" before "make such";

(12) in subsection (j) (as so redesignated), by inserting "DELEGATION.—The Secretary may" before "delegate such"; and

(13) in subsection (k) (as so redesignated), by inserting "AUTHORITY TO CASH CHECKS, ETC.—The Secretary may" before "authorize".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume. I rise in strong support of H.R. 2433, as amended, the Health Care for Veterans of Project 112/Project SHAD Act of 2003. Project SHAD stands for "shipboard hazard and defense." It was a program that was conducted in the 1970s. I will get into that in a moment. I do want to thank the chairman of the Subcommittee on Health, the gentleman from Connecticut (Mr. SIMMONS), and the subcommittee's ranking member, the gentleman from Texas (Mr. RODRIGUEZ), for their work and cooperation in moving this very bipartisan bill forward. I want to thank them for their leadership on it.

This bill would authorize the VA to provide higher priority health care to veterans who participated in Project 112/SHAD. These tests, which involved exposure of servicemembers to simulated chemical and biological agents and in some cases, Mr. Speaker, actual poisons, were conducted by the Department of Defense at their Desert Test Center from 1962 through 1973. In the past year, DOD has released information about all of these secret Cold War era tests and has worked with the Department of Veterans Affairs and our committee to identify and notify veterans who participated in the tests, some of them unknowingly. This legislation will ensure that those veterans who did participate in those tests are able to receive medical evaluations and treatment if necessary at VA health care facilities on a higher priority basis without being required to establish service connection for these illnesses they believe were caused by those exposures. H.R. 2433 also includes several measures designed to help the VA to maintain a quality workforce in all of its health care facilities.

There is a well-documented shortage of trained registered nurses, for example, in the United States; and this shortage affects the VA's ability to deliver care to veterans. Our committee has expressed concern about a VA policy that requires VA-registered nurses to obtain baccalaureate degrees in nursing in order to advance beyond entry nurse-grade levels. The VA's continuation of this policy in the face of high demand and scarcity of nursing personnel discourages qualified nurses from seeking VA employment and makes the VA's ability to retain current nurses more challenging than it needs to be. H.R. 2433 will help keep the VA competitive with the private sector so that when a VA-registered nurse is otherwise eligible for a promotion, the lack of a specific educational degree

may not be used to deny that promotion from nurse grade 1 to grade 2.

Mr. Speaker, section 4 of the bill expands the number of health care workers entitled to extra pay for working weekends. Most private hospitals provide extra pay for weekend work. Many VA health care workers already receive extra compensation for working on weekends. Section 4 is an effort to eliminate current disparities between VA employees working side by side to care for sick veterans.

The legislation also gives the approximately 3,000 Veterans' Canteen Service hourly workers the right to be considered for other VA positions on a competitive basis. This right was given to VCS managers in 1979. There is no reason whatsoever to impede good VA workers from seeking career advancement to more demanding, higher-paying positions for which they are qualified.

This is a good bill. I hope that Members will support it.

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

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

I rise in support of this resolution. I want to thank the gentleman from Texas (Mr. RODRIGUEZ) for recognizing the need to assure health care for veterans who participated, often unwittingly at times, in the tests of Desert Test Center. I also want to acknowledge the commitment of Mr. MIKE THOMPSON, whose persistence in uncovering the truth about these tests has been extraordinarily noteworthy. It is remarkable to think that the military would have knowingly exposed troops to some of the agents we now know were involved in these tests.

I am pleased that we will be offering these veterans an opportunity to receive health care services in order to address some of the conditions they believe may have been involved in this exposure. There are other important personnel issues addressed in this legislation.

For several years, the VA has been committed to converting to an all-bachelor's degree program. While this goal may be admirable, it may also be unattainable, particularly on the cusp of the severe nursing shortage confronting the whole health care industry, both private and public. It also fails to acknowledge the very real contributions of associate degree-trained nurses who receive similar practical training. It is also appropriate to give nursing assistants the same access to Saturday premium pay as their nursing counterparts.

Mr. Speaker, I hope all the Members will join me in supporting this legislation.

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

□ 1045

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Con-

necticut (Mr. SIMMONS), the distinguished chairman of our Subcommittee on Health.

Mr. SIMMONS. Mr. Speaker, I thank the chairman of the Committee on Veterans' Affairs and the ranking member, the gentleman from Illinois (Mr. EVANS), for their terrific work on this legislation. I also thank my colleague and ranking member of the Veterans Subcommittee on Health, the gentleman from Texas (Mr. RODRIGUEZ), for all of his work. These are bipartisan products. These are legislative products that have been worked on on both sides of the aisle by all of us working together for the common good of our veterans and for those who serve them.

I am sure my colleague, the gentleman from Texas (Mr. RODRIGUEZ) will talk quite a bit about the SHAD portion of this legislation, and I will leave that to him, but I want to highlight two other parts of this legislation that I think are so important. The first one is the one that guarantees that a qualified VA registered nurse is not denied promotion to a higher job because that nurse fails to have a certain educational degree.

During my period of service on active duty in the U.S. Army, I went to infantry OCS, and at infantry OCS, I trained with a lot of enlisted personnel, sergeants, E-5s, E-6s and E-7s who decided to go to infantry OCS to get that commission to get that lieutenant's bar and to lead men in combat in Vietnam.

A number of those highly qualified enlisted persons who went to OCS did not have college degrees, and yet they accumulated awards for valor in service and led their men successfully in the war zone.

When the war was over, they lost their commissions. They were given the choice of getting out of the service or going back to enlisted rank. That made no sense to me. It made no sense to me that somebody who had been successful in leading men in combat and in battle in an infantry assignment would be denied that commission at a future date simply because they did not have the educational qualifications.

The same principle is at stake here. Why should a qualified VA registered nurse be denied a promotion on the basis of the fact that that nurse does not have a specific educational degree? We can do better than that. This bill fixes that problem.

Let me refer also to one other portion of this legislation that I think is so important, and that I think establishes fairness for those who serve us in the VA. Veterans Canteen Service food workers are not eligible currently for career service or competitive service positions because of their current position within the Canteen Service.

Well, low and behold, I began my Army career as an Army cook. I began my Army career as an Army cook. Nobody said at the time you cannot go on to go to OCS, officer candidate school, and get a commission and go up

through the ranks and eventually retire as a colonel. Nobody said that at the time. So why do we say that to the canteen workers? Why do we say we are going to offer you a job as a Canteen Service worker, but it is a dead-end job. You are never going to be able to aspire to anything higher. That does not make any sense to me, and I do not think it makes any sense to the men and women who work in these positions.

So I thank my leaders in the committee, the gentleman from New Jersey (Chairman SMITH), the ranking member, the gentleman from Illinois (Mr. EVANS), and I also thank my colleague, the ranking member of the Subcommittee on Health, the gentleman from Texas (Mr. RODRIGUEZ), for their hard work on this legislation, which brings about reforms into the system that are so long overdue.

Mr. EVANS. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, I thank the gentleman from Illinois (Mr. EVANS) for yielding me time. I want to thank the gentleman for his leadership as ranking member. I also want to take this opportunity to thank the gentleman from New Jersey (Chairman SMITH) for his leadership and I want to thank, of course, our subcommittee chairman, the gentleman from Connecticut (Mr. SIMMONS) on this bipartisan effort.

I think there is no doubt that this particular piece of legislation is needed, so I want to personally express my gratitude on this bipartisan effort to the gentleman from New Jersey (Chairman SMITH) and the ranking Member the gentleman from Illinois (Mr. EVANS).

Project 112, as we know, was a series of military tests that began in the early 1960s and continued throughout much of the Cold War to assess the effects of chemical and biological weapons on military assets under various environmental conditions.

I introduced this piece of legislation after we had become aware of it. I also want to take note that the gentleman from California (Mr. THOMPSON) worked hard on this particular issue. I also want to indicate that many of these tests happened at sea and it is also referred to as Project SHAD, but others were land-based.

The tests were designed to identify the military vulnerabilities to various types of attacks, whether these attacks could be adequately detected or whether some protection measures were effective against these attacks. The Department of Defense has admitted that it has no evidence that the test participants were informed of the risk of their participation in these tests or that, in most cases, they received appropriate protection gear while conducting these tests. Some veterans are justly concerned, and have been informed that they were exposed to hazardous material.

In order to restore the trust and confidence of the American people, and particularly the American veterans in the Federal Government's response to these kinds of exposures-related controversies, we must act, and H.R. 2433 does that exactly.

It is impossible to believe that the military exposed our own troops to such potent agents such as VX nerve gas and sarin. Veterans are naturally concerned about the long-term effects of exposure to those poisons in terms of their health.

Project 112 veterans have complained of various forms of ailments such as cancer and hypertension. Given the amount of time that has passed and the relatively small number of veterans involved in such tests, veterans may never fully understand the effects of these tests. The VA has requested legislation, and that is why we are doing this, to begin to examine the participants and the ailments and the conditions of these veterans that participated in these experiments.

This authority will allow this opportunity for veterans involved in these exams and suffering from possible ailments to be able to get tested and be able to look in terms of how they might have been impacted by it. It may also give the VA a chance to see if there are discernible patterns of veterans' health outcomes. This information may help VA identify whether particular operations or exposures were particularly harmful.

It is time for us to make at least some amends to our veterans involved in these experiments, often without their consent, knowledge or adequate protection. We owe it to them for us to move in this protection.

I also appeal to veterans that might be informed or might be listening for them to become abreast of what has transpired, because a lot of the veterans are not aware that these particular tests had taken place.

So, once again, I ask for your support for H.R. 2433, and I thank the chairman, the gentleman from New Jersey (Mr. SMITH), and the gentleman from Illinois (Mr. EVANS), the leading Democrat on the committee.

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. MORAN), the former chairman of the Subcommittee on Health, who held hearings on Project SHAD.

Mr. MORAN of Kansas. Mr. Speaker, I thank the gentleman for yielding, and I thank the gentleman from Illinois (Mr. EVANS) and the gentleman from Connecticut (Mr. SIMMONS) and the gentleman from Texas (Mr. RODRIGUEZ) for their work on this important piece of legislation.

I also would like to recognize the work of the gentleman from California (Mr. FILNER), my ranking member during the time I chaired the subcommittee, in which our subcommittee focused a lot of attention toward the issue of Project SHAD and its effect

upon our veterans today and upon servicemen and women back in the 1960s. I am pleased to be here today, these months later, in support of passage of H.R. 2433.

During my time as the subcommittee chairman, we worked with a number of our colleagues on the Committee on Veterans' Affairs to highlight, to encourage the Department of Defense to provide information, the Department of Veterans Affairs to provide a higher priority in care and concern for the veterans who participated in Project SHAD, those tests conducted by the Department of Defense in the 60s.

These tests were conducted over water and on land. They were designed to ascertain the damage and dangers chemicals might have to ships and equipment, beginning a study upon the effects of weapons of mass destruction, something we hear about a lot today. Thousands of veterans, as a result of those tests, now have reason to believe that their health may have been adversely affected by exposure to dangerous substances.

In the 107th Congress, our subcommittee held those hearings on this project, upon the tests. We had a number of meetings with Department of Defense and Department of Veterans Affairs officials. We visited with veterans organizations and began the process of seeking answers to the many questions that now linger some 60 years later.

Our subcommittee concentrated also on the state of deployment health. Having been through the Persian Gulf War Syndrome, we wanted to see if we could find ways to get the Department of Defense to deploy our forces in ways that protected those forces, the equipment, vaccinations, health records and other policies that DOD utilizes today to protect the health of active duty servicemen and women who are deployed in areas of conflict.

Congress does need to focus our concern on the veterans of the past, because they teach us lessons about the veterans of our future, and we need to use history as a tool to create effective and proactive policies for our current and future servicemen and women who may be exposed at some time to dangerous poisons and other hazards of military deployment. We have seen those exposures in Vietnam, in the first Gulf War, and we may see many more in the future.

U.S. soldiers, sailors, airmen and Marines, are overseas today defending the freedoms we enjoy here at home, and we in Congress are responsible for ensuring their health, that it is protected, both in and out of the service.

The record is clear: The tests that involved Project SHAD were not intended to harm U.S. service members, they were intended to aid the U.S. in protecting ships at sea and soldiers and their equipment on the field of battle from enemy attacks using chemical, biological or nuclear weapons. But, clearly, we have a responsibility to

those soldiers who were affected by those tests.

I would like to especially commend a Kansan from Topeka, Kansas, Jim Druckmiller, and the USS Power Association, as well as the Vietnam Veterans of America, their organization, for bringing this issue to the subcommittee and Congress. Citizens from my home State of Kansas and many other states were affected by these tests, and we must honor them and support them by seeking passage of this legislation.

I again commend the gentleman from New Jersey (Chairman SMITH) for giving this legislation the high priority it is due, and urge its passage by the House today.

Mr. EVANS. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. FILNER).

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

Mr. Speaker, you would think that we would have learned from the experience in Vietnam and Agent Orange, which the gentleman from Illinois (Marine Corporal EVANS) taught us as he led the charge to uncover what happened with Agent Orange and to give our servicemen and women some protection later on.

If we learned anything, it is that our veterans must be informed of the risks of exposure that they experience on the battlefield. We did not learn that in Persian Gulf War I, and we are left with the Persian Gulf War illness. I do not think we have learned it with Persian Gulf War II, and who knows what we are going to have after this war.

Veterans must know about the agents to which they were exposed and whether these agents are likely to produce any health consequences, and they must be taken care of if they become ill due to the exposures during their service. That is what this bill does, based on this project that took place in the 1960s.

We have thanked a lot of people in the Congress for bringing this bill up, but I have to thank our veterans for their own diligence in bringing this matter to our attention. Once again, it was veterans who became ill who had to advocate on their own behalf to get their government, to get our government, to release information about harmful exposures so they could understand their own health issues and assert the legitimacy of their claims.

One of these veterans is Jack B. Anderson, a retired Navy man and a constituent of the gentleman from California (Mr. THOMPSON), and that is what brought the gentleman from California (Mr. THOMPSON) into this, and we thank him for his leadership, and the gentleman from Texas (Mr. RODRIGUEZ) also for bringing this bill to us.

This project, Project 112, was a \$4 billion testing effort.

□ 1100

It would translate into a \$40 billion effort today. That is a massive under-

taking. And there were tests at sea called Project SHAD to identify vulnerabilities to various types of attacks. Now, that is a legitimate function of our Defense Department, but they did not inform those who were tested that they were even participating in the test or that they have the right equipment to protect themselves or that their exposure might lead to later problems, this exposure to nerve gas and sarin.

Once again, it took veterans and it took Members of Congress to force the Department of Defense to admit that they were at fault and to make sure that the veterans received health care and proper compensation.

So I thank all those who took part in this to finally bring some justice to this case. This Project 112 and Project SHAD, the Vietnam situation with agent orange, the Persian Gulf War illness, all of these are part of a pattern. One would think that we would learn that by now. I do not think that we have learned yet, however, our lesson, and we are going to see it again after this war in Iraq.

So, ladies and gentlemen, I urge support for H.R. 2433.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before I yield back, I want to again thank all of my colleagues and the gentleman from Texas (Mr. RODRIGUEZ), especially, for his leadership on this bill. The gentleman from Kansas (Mr. MORAN), who spoke earlier, held the really landmark hearings that helped catapult this issue into the forefront in people's thought.

Let us not forget what we are talking about. The Department of Defense in some 41 tests aboard ships used agents like anthrax, VX, sarin gas. Yes, they used simulants in many cases, but they actually used the real deal. They actually used real contaminants.

We are not sure, even to this day, whether or not the protective suits that were worn by our sailors aboard those ships actually protected them from these very caustic and poisonous agents.

We need to get to the bottom of it. I am convinced, having been at the hearings, having had several conversations with people at the DOD and the VA, that they are really going to go all out to make sure that every veteran who is malaffected or could have been malaffected by this gets the kind of health care and compensation that is necessary if, indeed, they have been contaminated by it.

So this is a very important bill. I hope that the full body will embrace it.

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

The SPEAKER pro tempore (Mr. SHAW). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House sus-

pend the rules and pass the bill, H.R. 2433, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend title 38, United States Code, to authorize the Secretary of Veterans Affairs to provide veterans who participated in certain Department of Defense chemical and biological warfare testing with health care for their illness without requirement for proof of service-connection, and for other purposes."

A motion to reconsider was laid on the table.

ANNUITY COMPUTATIONS ADJUSTMENTS FOR PERIODS OF DISABILITY

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 978) to amend chapter 84 of title 5, United States Code, to provide that certain Federal annuity computations are adjusted by 1 percentage point relating to periods of receiving disability payments, and for other purposes.

The Clerk read as follows:

H.R. 978

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

SECTION 1. ANNUITY COMPUTATION ADJUSTMENT FOR PERIODS OF DISABILITY.

(a) IN GENERAL.—Section 8415 of title 5, United States Code, is amended—

(1) by redesignating the second subsection (i) as subsection (k); and

(2) by adding at the end the following:

"(l) In the case of any annuity computation under this section that includes, in the aggregate, at least 2 months of credit under section 8411(d) for any period while receiving benefits under subchapter I of chapter 81, the percentage otherwise applicable under this section for that period so credited shall be increased by 1 percentage point."

(b) CONFORMING AMENDMENT.—Section 8422(d)(2) of title 5, United States Code (as added by section 122(b)(2) of Public Law 107-135) is amended by striking "8415(i)" and inserting "8415(k)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any annuity entitlement to which is based on a separation from service occurring on or after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia (Mrs. JO ANN DAVIS) and the gentleman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Virginia (Mrs. JO ANN DAVIS).

GENERAL LEAVE

Mrs. JO ANN DAVIS of Virginia. 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. 978.

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

There was no objection.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 978 is a great step towards reasonably assisting Federal employees.

This legislation temporarily doubles the usual Federal employees' retirement system direct benefit of 1 percent of an employee's pay during a period of disability. The added percentage point offsets the reductions in Social Security and the Thrift Savings Plan that would result from an employee's discontinuation of contributions while temporarily disabled.

The Department of Labor, the Office of Management and Budget, and the Office of Personnel Management support this legislation.

Mr. Speaker, the inspiration of this bill is Mrs. Louise Kurtz, a U.S. Army civilian employee who works at the Pentagon. Mrs. Kurtz was tragically injured when terrorists crashed American Airlines Flight 77 into the west side of the Pentagon. Mrs. Kurtz was at work at the Pentagon that day, and she was so severely injured that she remains in rehabilitation today for the burns that affected more than 70 percent of her body. Current law prohibits Mrs. Kurtz from contributing to her retirement program while she recovers and receives workers compensation disability payments. This reality will significantly delay the point at which she will be able to retire. H.R. 978 will allow Federal employees who are injured or otherwise unable to work for extended periods of time to retire on schedule.

Mr. Speaker, the work of Federal employees has become even more critical in the 2 years since September 11. Each and every day, Federal employees protect our homeland, deliver our mail, teach our children, respond to emergencies, and perform countless other essential tasks. H.R. 978 is an opportunity for this House to effectively protect our hard-working Federal employees by addressing an inadequate component of the FERS system. Therefore, I urge all Members to support the passage of H.R. 978.

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

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

Mr. Speaker, this legislation, introduced by the gentlewoman from Virginia (Chairwoman JO ANN DAVIS), will go a long way to help Federal employees injured on the job and receiving workers compensation. More specifically, this legislation will help Mrs. Louise Kurtz, a Federal employee from Virginia, who was severely injured in the September 11 attack on the Pentagon. She suffered burns over 70 percent of her body and lost all of her fingers. Mrs. Kurtz is going through rehabilitation and would like to return to work some day.

Current law, however, does not allow Mrs. Kurtz to contribute to her retirement program while she is

recuperating and receiving workers compensation disability payments. As a result, after returning to work and eventually retiring, she will find herself inadequately prepared and unable to afford to retire because of the lack of contributions during her recuperation. Federal employees like Mrs. Kurtz under the Federal Employees Retirement System who have sustained an on-the-job injury and are receiving disability compensation from the Department of Labor's office of Workers Compensation Programs are unable to make contributions or payments into Social Security or the Thrift Savings Plan. Therefore, their future retirement benefits from both sources are reduced.

This legislation offsets the reductions in Social Security and Thrift Savings Plan retirement benefits by increasing the Federal Employees Retirement System direct benefit calculation by 1 percentage point for extended periods of disability. The passage of this bill ensures that the pensions of hard-working Federal employees will be kept whole through their injury and recuperation period. I strongly support this bill, and I urge my colleagues to do the same.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I have no other speakers at this time. I urge all Members to support the passage of this measure, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHAW). The question is on the motion offered by the gentlewoman from Virginia (Mrs. JO ANN DAVIS) that the House suspend the rules and pass the bill, H.R. 978.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CONGRATULATING RAFAEL PALMEIRO OF THE TEXAS RANGERS FOR HITTING 500 MAJOR LEAGUE HOME RUNS AND THANKING HIM FOR BEING A ROLE MODEL FOR THE CUBAN AMERICAN COMMUNITY AND FOR ALL AMERICANS

Ms. ROS-LEHTINEN. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 315) congratulating Rafael Palmeiro of the Texas Rangers for hitting 500 major league home runs and thanking him for being a role model for the Cuban American community, as well as for all Americans.

The Clerk read as follows:

H. RES. 315

Whereas Rafael Palmeiro hit the 500th home run of his career on May 11, 2003 at The Ballpark in Arlington, Texas, becoming only the 19th player in baseball history to accomplish such an achievement;

Whereas Rafael Palmeiro's achievement places him in the company of baseball's elite, including Hank Aaron, Babe Ruth, Mickey Mantle, and Ted Williams;

Whereas Rafael Palmeiro's power swing has been consistent over his 17 years in the major league and this consummate quiet professional is still going strong;

Whereas, with eight consecutive seasons with at least 38 home runs, Rafael Palmeiro has established himself as one of the game's great power hitters;

Whereas, in addition, Rafael Palmeiro has mastered the intricacies of playing his position, first base, becoming a four-time All Star and earning three consecutive Gold Gloves from 1997 to 1999;

Whereas, through dedication and hardwork, Rafael Palmeiro has become one of the superstars of baseball and a future Hall of Famer;

Whereas Rafael Palmeiro is the personification of hard work and determination, and is an inspiration for Cuban Americans, having fled Havana, Cuba with his family in 1971;

Whereas Rafael Palmeiro has become a role model for people of all ages, taking time to work with foster children at the Lena Pope Home in Ft. Worth, Texas, including raising more than \$160,000 for supporting foster children and for encouraging foster parenting; and

Whereas, in addition to all of Rafael Palmeiro's other endeavors, he dedicates time to his wife Lynne and his two children, thirteen-year-old Patrick Ryne and eight-year-old Preston Connor: Now, therefore, be it

Resolved, That the House of Representatives congratulates Rafael Palmeiro of the Texas Rangers for hitting 500 major league home runs and thanks him for being a role model for the Cuban American community, and all Americans, and for inspiring all Americans to persevere and work hard to achieve their dreams.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida (Ms. ROS-LEHTINEN).

GENERAL LEAVE

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the resolution currently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 315, introduced by my distinguished colleague from the State of Texas (Mr. SESSIONS), congratulates Rafael Palmeiro of the Texas Rangers for becoming the 19th player in major league baseball history to hit 500 home runs and thanking him for being a role model for the Cuban American community and, indeed, for all Americans.

On May 11, the Texas Rangers beat the Cleveland Indians in a seemingly ordinary early season major league baseball contest. During the game, he

hit his 10th home run of the year. But this home run, Mr. Speaker, the 500th of his career, forever placed Rafael Palmeiro in a select class among baseball's greatest sluggers of all time.

In surpassing the 500 home run milestone, he affords this House a chance to recognize not only his exploits on the field, but also his selfless community-conscious conduct off the field. Mr. Speaker, Rafael Palmeiro was born on September 24, 1964, in Havana, Cuba. He left Cuba as a young boy in 1971 and moved to Miami with his mother and two of his three brothers in pursuit of political freedom. He attended Mississippi State University where he played baseball. Upon his graduation in 1985, Rafael was first selected by the Chicago Cubs in the first round of the amateur baseball draft. Within a year of being drafted, he was also selected and played in the majors where he has remained ever since.

In addition to the Cubs, Rafael played for the Texas Rangers and the Baltimore Orioles. Rafael has hit 523 home runs and batted in 1,676 runs during his outstanding 18-year career.

In between his big hits on the diamond, Rafael hits home runs off the field by staying involved in the lives of children in his community. Rafael makes regular appearances with children through programs such as Make-a-Wish Foundation of North Texas, an organization that makes individuals' wishes come true for children with life-threatening illnesses. Rafael also works with the Lena Pope Home in Fort Worth, Texas, which has educated, counseled, sheltered, and improved the lives of literally thousands of children each year. Rafael and his wife, Lynne, have donated generously to the Lena Pope Home and have helped the organization recruit foster parents.

In addition, this past spring, Rafael orchestrated a 2-week reading challenge for students in the Dallas area. Over 15,000 people participated in the 2-week program, and those students who read at least 500 minutes during the contest were entered into a drawing to attend the Rangers June 14 game, after which Rafael was honored for hitting 500 home runs.

Mr. Speaker, only 18 other players in major league baseball history have hit as many home runs as Rafael Palmeiro, and that alone is worthy of commendation by this House. But this resolution particularly honors Rafael's selfless service to his community.

Today, the House of Representatives, and indeed the entire Nation, salutes Rafael Palmeiro for his success, for living the American Dream, and for helping so many children to achieve their own dreams. Therefore, Mr. Speaker, I urge all Members to support the adoption of House resolution 315 that honors both the athletic, as well as the philanthropic, achievements of Rafael Palmeiro.

Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for introducing this worthwhile measure.

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

Mrs. MALONEY. Mr. Speaker, I yield myself such time as I may consume. I congratulate my colleagues from Texas for putting forward this important resolution.

□ 1115

Mr. Speaker, Rafael Palmeiro continues to climb the all-time home run list. On Tuesday, Aug 26, Palmeiro hit his 521st career home run, tying him for 13th place on the list with Willie McCovey and Ted Williams. Palmeiro has 31 home runs this season and is the sixth player in major league history with 30 or more home runs in nine consecutive seasons.

Born on Thursday, September 24, 1964, Palmeiro began his major league baseball career on September 8, 1986, with the Chicago Cubs. However, Palmeiro did not start out as a power hitter. He hit just 25 homers in 258 games for the Cubs before being traded to the Texas Rangers after the 1988 season. In his first season in Texas, Palmeiro hit 8 homers in 156 games and then led the American league with 191 hits with just 14 homers in 1990. Palmeiro had 203 hits, a league-high 49 doubles and 26 homers in 1991.

As he got stronger, Palmeiro learned to pull the ball and the numbers started to build. He had 37 homers and 105 RBI's in 1993. He then left Texas as a free agent for Baltimore. Palmeiro had 182 homers and 553 RBI's in 742 games over 5 seasons in Baltimore before returning to the Texas Rangers. Along with his homers, Palmeiro also has 3 Gold Gloves at first base. He has never been on the disabled list, averaging 157 games a year since 1988.

Rafael Palmeiro is also very active in the community and has hosted the Raffy Readers reading program and is helping to build a youth baseball field in Colleyville, Texas.

I congratulate Mr. Palmeiro for his contributions to the game of baseball and the community.

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

Ms. ROS-LEHTINEN. Mr. Speaker, I yield such time as he may consume to the gentleman from the Texas (Mr. SESSIONS), the sponsor and author of this resolution. Play ball.

Mr. SESSIONS. Mr. Speaker, I thank the gentlewoman from Florida (Ms. ROS-LEHTINEN) who, as a proud Cuban-American, is also a member of the Republican baseball team, a person who enjoys not only supporting other Cuban-Americans but also our baseball team, and to be joined by my good friend, the gentleman from the Committee on Rules, the gentleman from Florida (Mr. LINCOLN DIAZ-BALART), also a Cuban-American.

Mr. Speaker, it is with great pleasure that I come to the floor this morning to speak on H. Res. 315, honoring Texas Ranger first baseman Rafael Palmeiro for his amazing feat of hitting his 500th career home run. This resolution hon-

ors not only Rafael's accomplishments in major league baseball which are numerous, but also his many off-field contributions which are just as important.

Rafael is the epitome of hard work and professionalism, and I am proud to honor him today, this individual who puts his family, his team and his community before himself.

On May 11, 2003, Rafael Palmeiro hit his 500th home run at the ball park in Arlington Texas, becoming only the 19th player in baseball history to do so. With his 500th home run, Palmeiro joined the company of baseball's elites like Hank Aaron, Babe Ruth, Mickey Mantle, and Ted Williams. In fact, since May 11 when he accomplished this feat, Palmeiro has now moved to 13th on this exclusive list of 500 home run hitters.

Mr. Speaker, beyond the statistics and the numbers, however, Rafael Palmeiro has done significant work by making a difference in his community. Whether it is encouraging foster parents through his hard work at the Lena Pope Home in Ft. Worth, Texas or encouraging kids to read with his Raffy's Readers program, Palmeiro is an ardent spokesman for children's causes.

Mr. Speaker, these are just a sampling of Rafael Palmeiro's actions in giving back to his community. This, on top of spending time with his lovely wife, Lynne, and their two sons, Patrick Ryne who is 13, and Preston Connor who is 8. Rafael Palmeiro has become a role model for people of all ages with his on- and off-the-field accomplishments.

I am proud to be the lead co-sponsor of this bill honoring a fine man who is a shining example of the things that a kind and good person can achieve in their life.

Mrs. MALONEY. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), one of the co-sponsors and authors of this resolution and an important leader in this body.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I would like to thank the leaders on the bill. I am pleased to join my colleagues from Texas this morning in honoring Rafael Palmeiro of the Texas Rangers, a major league baseball team, for his accomplishment in reaching the 500 home run marker in May.

Along with his honors, he also has numerous other hitting records, 3 Gold Gloves at first base and he has never been on the disabled list. But it is not just his excellence on the field that explains why he has legions of fans across Texas and the country. He is a man of outstanding character. He is humble even though he is distinguished and destined for the Hall of Fame.

It is his humility that he takes out into our community, contributing to so many important causes in the Dallas, Ft. Worth area, the Lena Pope Home in Ft. Worth, Shoes for Orphan Souls, and his own organization, Raffy's 500 Club.

Throughout his career, he has spent his time encouraging foster parenting, actively participating in the Make a Wish Foundation, encouraging our youth to read, and raising money for numerous disease research foundations.

He is an inspiration to all of people of all ages and he means so much to us in the Dallas, Ft. Worth metroplex. I am pleased to be a co-sponsor of this bill. I thank the gentleman from Texas (Mr. SESSIONS) for highlighting the hard work and dedication of Rafael Palmeiro.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. LINCOLN DIAZ-BALART), who will be batting clean-up for our team. The gentleman is a good Cuban-American, a baseball fan who follows the Florida Marlins, the Yankees, and now I know, the Texas Rangers.

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I think it is very appropriate that the Texas delegation is united behind this resolution. The gentleman from Texas (Mr. SESSIONS) brought it forward. I recall I have had the privilege of meeting Rafael Palmeiro. He is an extraordinary human being, a man of great decency. He had made it clear, by the way, that when he was playing up here, in a team near here, that he wanted to return to Texas because he is a proud Texan and he loves that State very much and its people. So that is why I think it is important for the Texas Delegation to be leading this effort today, and it is the right thing to do for this Congress to honor this man.

He is not only an extraordinary athlete but, as I said before, a very decent human being. A loving family man, he is extremely generous with his family, compassionate, as he is with his community. He is also a patriot and that is another reason why I admire him so much. I know of his love for freedom.

For example, he refused to go back to Cuba. He says he will not do it as long as the dictatorship is in power. As a matter of fact, when he was playing for the Orioles here and the owner of that team was recruited by this campaign that wants to open relations with Castro and help the dictatorship and the team was sent to Cuba, he refused, Rafael Palmeiro. So he stands up for his principles. He is a man of principle, a man of decency.

He has a wonderful family and he helps his community in Texas in an extraordinary fashion. So for so many reasons we are very, very proud of him. Obviously, the entire island of Cuba looks to him as an idol, but really the entire American nation also. This great United States of America admires him because of his extraordinary accomplishments. And so to that human being, we, the Congress of the United States, today sends not only our esteem but our admiration.

Again, I thank the gentleman from Texas (Mr. SESSIONS) and the Texas

delegation who have brought forward this resolution for doing so. It is a privilege for me to be able to stand today on behalf of this resolution honoring this great man and extraordinary athlete, Rafael Palmeiro.

Mrs. MALONEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. FROST), who, along with the gentleman from Texas (Mr. SESSIONS), is the lead author and sponsor of this important resolution.

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

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

Mr. Speaker, I rise today to congratulate Rafael Palmeiro of the Texas Rangers for hitting 500 home runs and to thank him for his outstanding contributions to the local community.

Known both for his powerful swing and golden glove at first base, Raffy, as he is known to many fans, joined an elite club on May 11 when he became only the 19th player in baseball history to hit 500 major league home runs.

Mr. Speaker, Rafael Palmeiro has been a constant example of hard work and quiet dedication to his sport. He is a four-time All-Star and was awarded three consecutive Gold Glove awards from 1997 to 1999. Known for his rock solid dependability, he has never spent a day on the disability list and has missed astoundingly few games each season. With the exception of the strike-shortened 1994 season, he has played an average of 157 games in each 162-game season of his career.

He is currently three home runs short of tying Jimmie Foxx's record of 9 straight years with 35 or more home runs. Since 1993, only Barry Bonds and Sammy Sosa have hit more home runs.

Mr. Speaker, Rafael Palmeiro has become a role model for people of all ages. Having fled Cuba with his family in 1991, he remains a hero within the Cuban-American community. Additionally, his dedication to the local community, as we have already heard, for his work with foster children and families in Ft. Worth has made him a leader both on and off the field. My wife, Kathy, and I just recently attended a reception at the ball park sponsored by Raffy on his Shoes for Orphans program, a program that he has spent a great deal of his time on recent years.

Mr. Speaker, I have had the honor of watching Rafael Palmeiro play at the ball park in Arlington in my congressional district. He deserves special recognition for his tremendous achievement and I look forward to the day when he will join the likes of Babe Ruth, Hank Aaron and Roberto Clemente in Cooperstown at the baseball Hall of Fame. I know my colleagues will join me today in congratulating him and in wishing him continued success in all of his future endeavors.

I would like to add and note to the management of the Texas Rangers ball

club. I hope that the management of our great club will find a way to extend Raffy's contract when it runs out at the end of this year so that he may finish his career as a Texas Ranger.

Mrs. MALONEY. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. SERRANO), an important leader, not only on this resolution, but in this body.

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

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

Mr. Speaker, I come to join today in celebrating what is a fabulous career and a fabulous human being. Just think of it, over 15,000 people, men have played professional major league baseball and only 19 have hit over 500 home runs. And Rafael Palmeiro has done it, and this is my personal opinion, in a way that is really unique. He is not 6'-5". He is not 250. He is not muscular, but he has one of the prettiest swings you will ever want to see on the baseball field.

□ 1130

Every time he connects, somebody my size wonders how is that ball going to take off, and it always manages to take off; but I also come for a special reason.

Through a dear friend of mine, Juan Gonzalez, the Texas Rangers outfielder, I had the opportunity to meet Mr. Palmeiro this summer and sit with him a couple of hours and speak with him about baseball and other things; but I was amazed at how warm and strong he was in dealing with everybody around him, especially when you are sitting somewhere in public and every fan comes over for an autograph, every fan comes over to talk to you; and he took the time to speak to every child, and he took the time to speak to every fan that came over. That meant a lot to me, but a lot of folks just do not want to be bothered when they play ball, and they take the money. So I wanted to come and join this tribute.

Rafael Palmeiro is without a doubt a future Hall of Famer and he has done it in typically following the American Dream, coming from Cuba looking for a better way, a better life for his family, for himself, as a child, graduating from college, being drafted and playing day after day after day. I am always amazed also at the fact that this man does not ever seem to get hurt. He just continues to play and play and play.

I, like so many other Americans, so many people throughout the world, love the game of baseball. It is part of who I am as a person; and to have him play it the way that he does is just absolutely great, and because I got to know him, I got to even enjoy his baseball even more.

So I want to thank the sponsors on both sides of this resolution. This gentleman really deserves this tribute. He is one of the all-time greats. Baseball

is still, in my opinion, the best game and certainly our greatest export throughout the world and Latin America; and I come to celebrate Mr. Palmeiro today on his career and what would certainly be induction into the Hall of Fame very soon.

Mrs. MALONEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume. I also have no other speakers.

Again, I congratulate the gentleman from Texas for introducing this legislation, and I urge all Members to support the adoption of House Resolution 315.

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

The SPEAKER pro tempore (Mr. SHAW). The question is on the motion offered by the gentleman from Florida (Ms. ROS-LEHTINEN) that the House suspend the rules and agree to the resolution, H. Res. 315.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

COMMENDING CLEMSON UNIVERSITY TIGERS MEN'S GOLF TEAM FOR WINNING 2003 NATIONAL COLLEGIATE ATHLETIC ASSOCIATION DIVISION I MEN'S GOLF CHAMPIONSHIP

Mr. WILSON of South Carolina. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 266) commending the Clemson University Tigers men's golf team for winning the 2003 National Collegiate Athletic Association Division I Men's Golf Championship.

The Clerk read as follows:

H. RES. 266

Whereas on Friday, May 30, 2003, the Clemson University Tigers men's golf team won the 2003 NCAA Division I Men's Golf Championship, the first National Championship for the Clemson men's golf team;

Whereas the Tigers finished the Championship with a four-round total of 1191 strokes, for 39 shots over par, beating the second place Oklahoma State University Cowboys by two strokes;

Whereas the Tigers won the National Championship on the home course of Oklahoma State University, one of the most decorated golf schools in the Nation;

Whereas the Clemson golf team was the first in NCAA history to win its conference championship, a NCAA regional title, and the National Championship in the same year;

Whereas the Tigers started the year and ended the year as the number one ranked team in the Nation;

Whereas the Tigers finished the season with a 128-8-3 record against opponents ranked in the top 25 teams in the country, which amounts to an incredible winning percentage of 93 percent, by far the best in the Nation and the best in Clemson history;

Whereas all of the Tigers players who participated in the NCAA Championship are native-born South Carolinians;

Whereas players D.J. Trahan, Jack Ferguson, and Matt Hendrix were honored as All-Americans for the 2002-03 season;

Whereas Head Coach Larry Penley won the Golf Coaches Association of America's Dave Williams Award as the National Coach of the Year;

Whereas the Clemson University men's golf team has displayed outstanding dedication, teamwork, and sportsmanship throughout the season in achieving collegiate golf's highest honor; and

Whereas the Tigers have brought pride and honor to the State of South Carolina: Now, therefore, be it

Resolved, That the House of Representatives—

(1) commends the Clemson University Tigers for winning the 2003 National Collegiate Athletic Association Division I Men's Golf Championship;

(2) recognizes the achievements of all the team's players, coaches, and staff and invites them to the United States Capitol Building to be honored in an appropriate manner;

(3) requests that the President recognize the team's accomplishments and invite the team to the White House for a ceremony in honor of their National Championship; and

(4) directs the Clerk of the House of Representatives to make available enrolled copies of this resolution to Clemson University for appropriate display and to transmit an enrolled copy of this resolution to each coach and member of the 2003 NCAA Division I Men's Golf Championship team from Clemson University.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from South Carolina (Mr. WILSON) and the gentleman from New Jersey (Mr. ANDREWS) each will control 20 minutes.

The Chair recognizes the gentleman from South Carolina (Mr. WILSON).

GENERAL LEAVE

Mr. WILSON of South Carolina. 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. 266.

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

There was no objection.

Mr. WILSON of South Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of House Resolution 266. I would like to thank my hardworking colleague, the gentleman from South Carolina (Mr. BARRETT), for bringing this resolution forward.

Mr. Speaker, this resolution recognizes the achievement of the Clemson University men's golf team, the Tigers, for their NCAA Division I national collegiate championship. Clemson became the first school in NCAA history to win its conference championship, gain the NCAA regional title and the national championship all in 1 year.

The national championship Tigers deserve recognition for winning the title by just two shots over host school Oklahoma State University after starting the day just one stroke apart. Clemson finished with a 72-hole team total of 1,191, 39 strikes over par. The championship Tigers will enter the 2003-2004 season with a streak of 18 consecutive top three finishes, a Clemson record. In addition to inspiring the team victory, three players distin-

guished themselves from the field by being named to the All-America teams at the conclusion of the season.

Coach Larry Penley was named National Coach of the Year by the Golf Coaches Association and was the first Clemson coach in any sport to win a National Coach of the Year in over 10 years.

The distinction earned by these individuals and the remarkable repeat victories of the team reflect the dedication of each player, the leadership of Coach Larry Penley, and the support of family, friends, and fans.

I extend my congratulations to each of the hardworking players on this successful Tiger team, to Coach Penley, President Jim Barker, and to student body president Fletcher Anderson and all the students of Clemson University. I am happy to join my colleagues in honoring the accomplishments of this team and to wish them continued success.

I would like to pause briefly now to relay the news I learned this morning of the death of a real institution in South Carolina. According to the Associated Press, Jim Phillips, whose voice carried the dreams and disappointments of Clemson fans for 36 years, died yesterday at age 69. Jim Phillips, the voice of the Tigers, did the play-by-play for Clemson baseball, football, and men and women's basketball. He will be missed, and our thoughts and prayers are with his family.

I ask my colleagues to support this resolution, and I particularly am happy to be presenting this today in that my family has association with Clemson University. My son is a senior, Julian, who has been an intern here in Congress. I am very proud of his association, following in the footsteps of his late grandfather, Julian Dusenbury, who was a Clemson graduate.

I am also pleased that the communications director of the second district congressional office, Wesley Denton, is a Clemson graduate and also the health care legislative assistant, Micki Howard.

In conclusion, God bless our troops.

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

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

I rise in support of this resolution, and I commend and congratulate the gentlemen from South Carolina (Mr. BARRETT), (Mr. SPRATT), (Mr. CLYBURN), (Mr. DEMINT), (Mr. BROWN), and my friend (Mr. WILSON) for their authorship and sponsorship of this resolution. I can understand why the South Carolina delegation is so justifiably proud of the young men who have achieved so much on the links.

Among the very most important classrooms, teaching places in our system of our higher education, is the field of athletic competition. There is a reason why we want to encourage colleges and universities around our country to continue educating young men

and women on playing fields; and the achievements of the young men of the Clemson University men's golf team are an example of that principle.

I must say parenthetically one of the issues that I am proud of is my alma mater, which did not win the NCAA golf tournament, Bucknell University, was recently noted for graduating 100 percent of its student athletes who participate in NCAA sports, and that is an aspiration that I know is shared around the country.

These young men of Clemson and these young Tigers had an extraordinary year amidst extraordinarily difficult competition. I am told that they finished the season with a record of 128 wins, eight losses and three draws, or three ties, against opponents ranked in the top 25 teams in the country. So when they took on the very finest competition there was, they won 93 percent of the matches, which is really an astonishingly good record. I wish that I was right 93 percent of the time in the things that I do here in doing my job.

We also want to commend the Oklahoma State University Cowboys who were in second place in the tournament. My understanding is that the tournament took place on their home course, and I think that adds special luster to the achievement of the young men from Clemson because when one is playing against competition that is used to playing on that course day in and day out, it is an advantage for the home team that the Clemson team was able to overcome.

It is my understanding that each of the Tigers players who participated in the NCAA championship are native-born South Carolinians. That must be a source of great pride for the schools and the coaches and families of the State of South Carolina for which we congratulate those schools and coaches and families.

Finally, it is my understanding that players D.J. Trahan, Jack Ferguson, and Matt Hendrix were all honored as All-Americans in the 2002-2003 season. To have three All-Americans on one team in any sport is quite an achievement; and I know that Head Coach Larry Penley, who himself was honored as the Golf Coaches Association of America's Dave Williams Award winner as Coach of the Year, should be justifiably proud.

This morning, as we speak, there are young Americans who are in science labs and lecture halls and technology centers and study areas, all in campuses all around our country, and we commend them for that; but we also recognize that one of the most important places to learn about life and about the principles of life is on the field of battle and athletic competitions. It is obvious Clemson University should be very proud of these young men.

I also add one thing parenthetically now to inject a controversial topic for those of us, and I mean those of us on both sides of the aisle who so strongly

support title IX and support equal athletic opportunities for young men and women. This is one example of how we do not have to choose between broader opportunities for all athletes and broader opportunities for some. One of the concerns about title IX is that non-revenue-producing sports on the men's side, like golf, which really does not produce revenue, would be jeopardized if we have a strong and robust title IX. Well, we have a strong and robust title IX. We are pleased we are going to keep this, and I think this is one more example of how we can have men and women excel in the field of athletic competition.

So I congratulate Clemson University, and all of their alumni and students and followers must be very, very proud of these young men who have won such an esteemed championship.

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

Mr. WILSON of South Carolina. Mr. Speaker, I yield myself such time as I may consume.

I would like to first thank the gentleman from New Jersey. It is very ironic, as the gentleman mentioned, that the persons who are on this team were native born, in the public institutions of South Carolina, but the State which provides the highest percentage of out-of-state students is New Jersey, and so we have a very strong relationship with our sister State to the north that people would not really recognize, but we have really benefited—

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. WILSON of South Carolina. I yield to the gentleman from New Jersey.

Mr. ANDREWS. Mr. Speaker, we appreciate that very much. We like to keep the smart ones in the State, but we let a few of them go to South Carolina.

Mr. WILSON of South Carolina. Mr. Speaker, we do enjoy that. Many choose to stay, but the bottom line is we do have the warm relationship with the State of New Jersey.

Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina (Mr. BARRETT).

Mr. BARRETT of South Carolina. Mr. Speaker, I thank the gentleman from South Carolina for yielding me the time, and I am excited and proud to be here today, growing up in the shadow of Clemson University.

Mr. Speaker, I rise today in support of House Resolution 266, which honors and congratulates the Clemson University men's golf team for winning the 2003 NCAA National Championship. First, I would like to thank the entire South Carolina delegation for cosponsoring this resolution and the chairman of the subcommittee of the Committee on Education and the Workforce for their diligent work in bringing this resolution to the floor.

Mr. Speaker, Clemson University was founded in 1889 as a small agricultural school, but over the past 100 years the

Tiger community has grown to over 16,000 students, studying not only agriculture but also engineering, economics, genetics, and architecture.

Over the years, Clemson's high standards have been set outside the classroom as well as in athletic venues throughout the campus. The Tigers men's soccer team won two national championships in 1984 and 1987. The football team won a national championship in 1981; and most recently, the men's golf team won the 2003 national championship.

The list of accomplishments achieved by the 2003 golf team is much like their tee shots, Mr. Speaker, long and intimidating. The 2003 Tiger golf team was the first team in NCAA history to win its conference title, NCAA regional title, and the national championship in the same year. The Tigers began the season as the top-ranked team in the country and finished the year ranked number one after defeating an excellent Oklahoma Cowboy State squad by two strokes, despite playing on the home course of OSU.

Mr. Speaker, the Clemson Tiger golf team finished the year with an impressive record of 128-8 and three; and as my friend, my colleague from New Jersey, said, 93 percent of the time they went out, they won. That was against the top 25 opponents, the best in Clemson history.

□ 1145

An equally astonishing fact, and one I am extremely proud of, Mr. Speaker, is that the team is comprised entirely of South Carolinians. The Tiger golf team has brought honor and pride to the university, the Third Congressional District, and the entire State. Throughout their outstanding play during the 2003 season, the team demonstrated to all of us that with dedication and hard work comes great reward.

I would like to extend my personal congratulations to each player: D.J. Trahan, Ben Duncan, Matt Hendrix, Greg Jones, Michael Sims, Jack Ferguson, Brian Duncan, Martin Catalioto, and Nick Biershenk, as well as Coach Larry Penley, who was awarded the Dave Williams Award as the National Coach of the Year by the Golf Coaches of America.

Mr. Speaker, I want to again extend my sincerest congratulations to the entire Clemson family on this great day commemorating the first national championship for the Clemson University Men's golf team, and I hope there will be many more days like this in the future.

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

Mr. WILSON of South Carolina. Mr. Speaker, I yield myself such time as I may consume to thank and congratulate the gentleman from South Carolina (Mr. BARRETT) for his leadership on this issue and his promotion of a great university.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ANDREWS. Mr. Speaker, I yield myself such time as I may consume to simply congratulate our colleagues from South Carolina and to urge adoption of the resolution.

Mr. SPRATT. Mr. Speaker, I rise today to honor a remarkable achievement. In May of this year, the Clemson Tigers men's golf team from my great State of South Carolina won the NCAA Division I golf championship in dramatic fashion, edging out the Oklahoma State Cowboys by two strokes on their own course.

The team was led by Senior D.J. Trahan, the number one ranked college golfer for much of this year, and Sophomore Jack Ferguson, who was ranked in the top 25 for most of the year. Trahan finished 22nd with a four round 299 to become the only Clemson player ever with four top 25 finishes, and Ferguson finished 19th with a team best four round 298. Also anchoring the team were Junior Matt Hendrix, Junior Gregg Jones, and Senior Ben Duncan, who finished tied for 35th, 35th, and 52nd respectively.

My hat goes off to Coach Larry Penley and the entire squad for their remarkable 124–8–3 record this year, and for bringing Clemson their first ever national golf championship. They have made your State very proud. It gives me greater pride to see that every member of the Clemson team makes their home in South Carolina. If this keeps up, we may start to see athletes drinking sweet tea instead of Gatorade.

On top of their golf achievements, I am proud that each of these young men will leave with a Clemson academic degree. With that background, I am sure they will be as successful in life as they have been in golf.

Mr. BROWN of South Carolina. Mr. Speaker, I rise today to recognize the outstanding achievement of the 2002–2003 Clemson University Golf Team. The Tigers, who started and ended the year as the number-one ranked team in the Nation, clinched the school's first NCAA Division I golf title in May in Stillwater, OK and became the first school in NCAA history to win its conference championship, NCAA regional title and National Championship in the same year. The national title victory was the sixth tournament win of the year for the Tigers, a single season record, and the team finished the season with a remarkable 124–8–3 record against top 25 opposition, an incredible 93 percent winning percentage—by far the best in the Nation and in Clemson history.

The 2003 National Champions were led by team number one, D.J. Trahan, the 2002 National Player of the Year and the 2000 USGA Public Links Champion. D.J. is a member of the ACC's 50-Year Anniversary team and has represented the United States as a member of the 2001 Walker Cup team and the 2002 Palmer Cup and World Amateur teams. He was awarded the Ben Hogan Award as top colleague golfer and named the top collegiate golfer by Golf World in 2002. D.J., whose career GPA is a 3.2, was also elected to the Verizon Academic All-America third-team for 2002 becoming the first Clemson athlete to be named a National Player of the Year and Academic All-American in the same year. I am proud to have Mr. Trahan, a resident of Mount Pleasant, as a constituent in South Carolina's First District.

Mr. ANDREWS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. DUNCAN). The question is on the motion offered by the gentleman from South Carolina (Mr. WILSON) that the House suspend the rules and agree to the resolution, H. Res. 266.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

WELCOMING HIS HOLINESS THE
FOURTEENTH DALAI LAMA AND
RECOGNIZING HIS COMMITMENT
TO NON-VIOLENCE, HUMAN
RIGHTS, FREEDOM, AND DEMOC-
RACY

Mr. LEACH. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 359) welcoming His Holiness the Fourteenth Dalai Lama and recognizing his commitment to non-violence, human rights, freedom, and democracy.

The Clerk read as follows:

H. RES. 359

Whereas for over 40 years in exile, His Holiness the Fourteenth Dalai Lama has used his position and leadership to promote compassion and non-violence as a solution to not only the present crisis in Tibet, but to other long-running conflicts around the world;

Whereas the Dalai Lama was awarded the Nobel Peace Prize in 1989 in recognition of his efforts to seek a peaceful resolution to the situation in Tibet, and to promote non-violent methods for resolving conflict;

Whereas the Dalai Lama has been a strong voice for the basic human rights of all peoples, particularly freedom of religion;

Whereas the Dalai Lama has personally promoted democratic self-government for Tibetans in exile as a model for securing freedom for all Tibet, including relinquishing his political positions and turning these authorities over to elected Tibetan representatives;

Whereas the Dalai Lama seeks a solution for Tibet that provides genuine autonomy for the Tibetan people and does not call for independence and separation from the People's Republic of China;

Whereas the envoys of the Dalai Lama have traveled to China and Tibet twice in the past year to begin discussions with Chinese authorities on a permanent negotiated settlement of the Tibet issue;

Whereas the successful advancement of these discussions is in the strong interest of both the Chinese and Tibetan people; and

Whereas it is the policy of the United States to support substantive dialogue between the Government of the People's Republic of China and the Dalai Lama or his representatives: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the visit of the Dalai Lama to the United States in September 2003 is warmly welcomed;

(2) the Dalai Lama should be recognized and congratulated for his consistent efforts to promote dialogue to peacefully resolve the Tibet issue and to increase the religious and cultural autonomy of the Tibetan people; and

(3) all parties to the current discussions should be encouraged by the Government of the United States to deepen these contacts in order to achieve the aspirations of the people of Tibet for genuine autonomy and basic human rights.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Iowa (Mr. LEACH) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Iowa (Mr. LEACH).

GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H. Res. 359, the resolution under consideration.

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

There was no objection.

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

At the outset, I would like to express my great appreciation for the distinguished ranking member, the gentleman from California (Mr. LANTOS), for his long interest in this issue and congratulate the gentleman from New Jersey (Mr. ROTHMAN) for sponsoring this thoughtful and timely resolution welcoming his Holiness the Fourteenth Dalai Lama, and recognizing his commitment to nonviolence, human rights, freedom, and democracy.

As my colleagues may be aware, the Dalai Lama, Tibet's spiritual leader in exile, is in the United States for a 3-week lecture and teaching tour. While he is in Washington, his Holiness is expected to meet with President Bush and other senior administration officials to update them on the status of contacts between his envoys and representatives of the People's Republic of China.

The United States is encouraged that China invited the Dalai Lama's envoys to visit the Beijing and Tibetan regions in the fall of 2002 and again in the spring of 2003. The resumption of direct contacts has been accompanied by the release of several high-profile Tibetan political prisoners in what appears to be a softening of rhetoric regarding the Dalai Lama and the Tibet issue in the official Chinese media. Despite these encouraging signs of progress, however, severe human rights abuses and tight controls on fundamental freedoms persist in Tibet.

To date, the Chinese have insisted that the Dalai Lama renounce the prospect of independence before a substantive dialogue can resume. Although the Dalai Lama heads a "government in exile" in India, he has stated publicly and repeatedly he is seeking greater autonomy and not independence for Tibet.

While the United States Government recognizes Tibet as part of China, it is the policy of the U.S. to support respect for the human rights of all Chinese citizens, including ethnic Tibetans. To emphasize our concerns in this regard, Secretary Powell has appointed a special coordinator for Tibetan issues. The U.S. continues to raise Tibet during bilateral and multilateral exchanges with Chinese leaders.

While the U.S. does not have official diplomatic relations with the “government in exile” in Dharamsala, the U.S. maintains contact with a wide variety of groups inside and outside of China, including with Tibetans in the United States, China, and around the world. Our contacts include meetings with the Dalai Lama in his capacity as an important and revered spiritual leader and Nobel Prize laureate. It is a sign of enormous respect and affection for the Dalai Lama that the President, the Secretary of State, and other senior administration officials meet with him on an ongoing basis.

The executive branch and Congress continue to urge the Chinese Government to respect fundamental freedoms, to refrain from detaining individuals for the peaceful expression of their views, and to protect and preserve Tibet’s unique religious, cultural, and linguistic heritage. We are all likewise united in our desire to encourage Beijing to follow through on discussions with the Dalai Lama’s special envoys and engage in substantive dialogue, hopefully leading to a negotiated settlement of outstanding issues.

Finally, during these troubled times, it may be useful to reflect on the observations of His Holiness, who has spoken strongly of his desire for better understanding and respect among the different faiths and peoples of the world. “The need for simple human-to-human relationships is becoming increasingly urgent,” the Dalai Lama has noted. Today, he stresses, “The world is smaller and increasingly interdependent. One nation’s problems can no longer be solved by itself completely. Thus, without a sense of universal responsibility, our very survival becomes threatened. Basically, universal responsibility is feeling for other people’s suffering just as we feel our own. This is the way to achieve a true understanding unfettered by artificial consideration.”

These are the words of the Dalai Lama. With the Dalai Lama’s poignant observations in mind, I would suggest that there is no better way to honor this distinguished spiritual leader and symbol of the aspirations of the Tibetan people than for Members to support this very thoughtful resolution.

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

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume, and I rise in strong support of this resolution.

Mr. Speaker, first, I would like to commend my good friend from Iowa, the chairman of the subcommittee, the gentleman from Iowa (Mr. LEACH), and the chairman of our full committee, the gentleman from Illinois (Mr. HYDE), for facilitating the consideration of this resolution. I want also to commend my good friend, the gentleman from New Jersey (Mr. ROTHMAN), for introducing this resolution.

Mr. Speaker, yesterday, the Congress marked an important date. It was the

20th anniversary of the founding of the Congressional Human Rights Caucus, and His Holiness the Dalai Lama was the principal speaker at the festivities.

Twenty years ago, my distinguished Republican colleague, who left us just a couple of years ago, Mr. PORTER of Illinois, and I founded the Congressional Human Rights Caucus. For 2 decades, this organization, supported across the board by hundreds of colleagues, has fought for human rights in every part of the world.

When we started the Human Rights Caucus, much of our attention was aimed at the Soviet Union, and the Soviet Union is no more. Many of the refuseniks and dissidents and persecuted political prisoners in the Soviet Union had their battle fought for them by the Congressional Human Rights Caucus.

When we commenced the Congressional Human Rights Caucus, South Africa was an apartheid state divided on racial lines with strict punitive regulations impacting the black population. That South Africa exists no more. And it was one of the great joys of the Human Rights Caucus to have played a modest role in the liberation of Nelson Mandela.

It was appropriate that the organization which has been the umbrella organization in the Congress of the United States for 2 decades on behalf of human rights across this globe, fighting discrimination on racial, ethnic, religious, political grounds, fighting discrimination against women, which is still so prevalent in many parts of the Islamic world, should have as its principal speaker His Holiness the Dalai Lama.

The Dalai Lama is the embodiment of human rights on our planet. Despite the tragedies which have befallen the Tibetan people at the hands of the Chinese Communists since 1959, His Holiness has consistently called for a peaceful resolution of the Chinese Tibetan conflict. And it is a significant historic fact, Mr. Speaker, that 16 years ago it was within the framework of the Congressional Human Rights Caucus that His Holiness the Dalai Lama presented his five-point peace plan calling for reconciliation between the Chinese authorities and the people of Tibet.

When he first came here at our invitation 16 years ago, he was not seen by the Department of State; he could not go near the White House. Today, he is an honored guest at the White House. And the recognition that his work has received is demonstrated by the Dalai Lama being a recipient of the Nobel prize for peace.

When we invited His Holiness the Dalai Lama in 1987, none of us dared hope that his posture as a moral authority would rise to the heights it has attained. As we meet here this morning, there are strong indications that the Chinese at long last are ready to make their peace with Tibet and with the Dalai Lama.

The Dalai Lama’s representative, Lodi Gyari, was received in Beijing this

summer. And when the British Prime Minister Tony Blair met with the new Chinese President, there was a serious, substantive, and constructive discussion of the role of Tibet within China. The Congressional Human Rights Caucus yesterday called on the government of China to invite His Holiness the Dalai Lama to Beijing so that at long last peace can prevail between the long-suffering people of Tibet and the Chinese Government.

It is appropriate, Mr. Speaker, that this House express its respect and admiration for this great moral authority whose stature transcends Tibet, whose stature transcends his Buddhist principles, who stands globally as a symbol of peace, reconciliation, and an acceptance of pluralism on this small planet. I strongly urge all of my colleagues to support this resolution.

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

□ 1200

Mr. LEACH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. KIRK) who is such a leader on human rights issues in this body.

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

We celebrate this week the 20th birthday of the Congressional Human Rights Caucus founded by my predecessor, John Porter, and the gentleman from California (Mr. LANTOS). We think about the Lantoses and other families who were saved by Raoul Wallenberg, the living history and symbol of civil rights at the end of World War II. We think about one of the founders of the Democratic Party, Thomas Jefferson, and remember him largely for his legacy in human rights. We think about one of the founders of the Republican Party, Abraham Lincoln, and we think about his remembrance for human rights, and we are so lucky today to be in the presence of His Holiness, the Dalai Lama, who is our generation’s symbol for human rights.

I thank the gentleman from New Jersey (Mr. ROTHMAN) for putting this resolution together, the gentleman from Illinois (Chairman HYDE), and of course the gentleman from California (Mr. LANTOS) for bringing this so quickly to the floor during His Holiness’ visit to Washington.

The fourteenth Dalai Lama is the spiritual leader of the Tibetan people, and he has been leading a nonviolent struggle for freedom for his people for 40 years.

In 1959, the year I was born, he was forced to flee his Tibetan homeland and resettle in northern India. From Dharamsala, India, the Dalai Lama and his Tibetan government in exile have established a democracy under which the Tibetans in exile are free to practice their religion and lead a democratic life. However, while the Dalai Lama leads a small contingent in Dharamsala, there are over 6 million Tibetans living inside China, and his struggle is their struggle.

In 1989, the Dalai Lama was awarded the Nobel Peace prize in recognition of his work seeking a peaceful resolution of the Tibet problem. Congress has a strong history of supporting the Tibetan people. In 1987, it was the human rights caucus which hosted him on his first visit to Washington. At that time he unveiled his five-point peace plan. Congress and the U.S. Government continued to be supportive of the Tibetan cause for religious freedom, and we have established U.S. offices to help the Tibetan people, and we are encouraged by the recent dialogue between His Holiness and the Chinese government.

Representatives of His Holiness the Dalai Lama have twice traveled to Beijing and Lhasa to bring further progress on the Tibetan issue. Hopefully the day is coming when Tibetans in exile can return to their homeland and Tibetans in Tibet can enjoy a freedom of religion and a rich cultural history upon which is a key value of our country.

I want to recognize the leadership of the gentlewoman from California (Ms. PELOSI) who has been a dear friend of the Dalai Lama when it was a bit more of a lonely struggle, and I salute her leadership and the visit of the Dalai Lama.

Mr. LANTOS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. PELOSI), the distinguished Democratic leader. Since she first joined us in Congress, she has been an indefatigable fighter for human rights across the globe, but she has had a special relationship with the people of Tibet and His Holiness, the Dalai Lama. She has been the leader in calling for a peaceful reconciliation between the government in Beijing and the people of Tibet, and yesterday she graced us with her presence at the 20th commemoration of the birth of the Congressional Human Rights Caucus and the visit of His Holiness, the Dalai Lama.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me this time so I can join in praising the gentleman from New Jersey (Mr. ROTHMAN) for bringing this important resolution to the floor and for his leadership on the Subcommittee on Foreign Operations where he works closely with the gentleman from Illinois (Mr. KIRK), and I commend the gentleman from Illinois also for making the issue of Tibet a priority. The gentleman from Illinois learned at the knee of John Porter who worked with the gentleman from California (Mr. LANTOS), and I congratulate the gentleman from California (Mr. LANTOS), the ranking member of the Committee on International Relations. He and John Porter founded the Human Rights Caucus 20 years ago. We observed that yesterday, and it was absolutely fitting and appropriate that His Holiness was the special guest speaker yesterday. What an honor it was for all of us. It brought luster to the Congress, and it was again

a fitting tribute to the Human Rights Caucus.

I thank the gentleman from California for his extraordinary leadership. When I first came to Congress in 1987, I was invited to a meeting with His Holiness, the Dalai Lama, and I was overwhelmed to receive such an invitation. He and John Porter were hosting the meeting in a small room. At that meeting His Holiness put forth his five points of autonomy, not independence, of nonviolence, protecting the environment and stopping the resettlement, et cetera, a very peaceful approach to a resolution of the conflict that could have been.

The Chinese regime did not see it that way. They kept saying they say autonomy; they mean independence, and until they reject independence, we cannot have a conversation, and so these many years have gone by without a resolution.

That is why I am pleased to rise in strong support of H. Res. 359, welcoming His Holiness, the Dalai Lama, and recognizing his commitment to nonviolence, human rights, freedom and democracy. I am proud to be an original cosponsor of the Rothman resolution, and I commend the gentleman from California (Mr. LANTOS) has a lifetime commitment to human rights, and in his position as co-chair and ranking member, he has spoken out for hundreds of thousands of victims of religious, ethnic, and political oppression all over the world.

In 40 years in exile, His Holiness has used his position and leadership to promote wisdom, compassion, and nonviolence as a solution not only to the present crisis in Tibet, but to other long-standing conflicts around the world. We must heed the guidance of His Holiness. He is a constant reminder that the crisis in Tibet is a challenge to the conscience of the world. We have not forgotten the people of Tibet and their struggle. We must and will continue our efforts to improve their lot.

The self-determination for Tibetans must be a priority in the U.S.-China relationship. We know that more than a million Tibetans have died under the Chinese occupation as a result of torture, starvation and execution. More than 6,000 monasteries and irreplaceable jewels of Tibetan culture have been destroyed. Tibetans are routinely imprisoned and tortured for non-violently expressing their views. Freedom of religion is severely curtailed. China is encouraging the large-scale settlement of nonTibetans into Tibet, which is overwhelming the Tibetan population in many areas and threatening its very culture.

The U.S. Government knows the facts. In March 2003, the U.S. State Department issued its annual Country Report on Human Rights. The report documents continuing human rights abuses by the Chinese government in Tibet and states, "Chinese authorities continue to commit serious human

rights abuses, including instances of torture, arbitrary arrest, detention without public trial, and lengthy detention of Tibetan nationalists for peacefully expressing their political or religious views."

The survival of the Tibetan identity is an issue of urgent U.S. and international concern. That concern will not diminish until a negotiated solution is achieved and the rights of the Tibetan people are respected. This is an important time for the Tibetan people. Tibetans urge the world to support the Dalai Lama's proposal for the restoration of peace and human rights in Tibet. There is some reason for optimism, as has been mentioned. Envoys of His Holiness, the Dalai Lama, have traveled to China and Tibet twice in the past year to continue discussions with Chinese authorities on a permanent negotiated settlement.

But unless the United States and other countries of the world are committed to meeting that challenge I mentioned that Tibet poses to the conscience of the world, then we cannot be consistent when we talk about human rights in any other part of the world. How can we talk about the violations of human rights and drastic actions we want to take in response to them one place and totally ignore them in Tibet? It undermines our moral authority to talk about human rights any place in the world unless we also talk about them in Tibet and China.

Today we recognize the Dalai Lama for his efforts to peacefully resolve the Tibetan issue and to promote the human rights of the Tibetan people. I talked at the beginning of my remarks when I first met His Holiness as a new Member of Congress 16 years ago. I remember a number of years later when the gentleman from California (Mr. LANTOS), Mr. PORTER, and Senator George Mitchell and Senator Dole, then the Republican and Democratic leaders of the U.S. Senate, we all joined together and we had a speech by His Holiness in the Rotunda of the Capitol. It was a momentous occasion, and we moved from a very small room into the center of the Capitol of the United States.

At that time, His Holiness told us about what was going on in Tibet, but he also was hopeful and optimistic about what could be in the future. I remember a personal story he told us when he was a little boy and he was already the Dalai Lama, he visited the United States. This was before he escaped from Tibet before the Chinese came in, but he came to the United States on a visit and President Franklin Roosevelt gave him a watch and he talked about that watch. It had the setting of the sun.

It was one of those watches that showed it was day time with the sun coming up or going down and what that meant to him. So he has had a connection to our country since he was a child. Since he was a child he has been the Dalai Lama. His presence in the

United States any time is a blessing for all of us.

Mr. Speaker, it is appropriate that we honor and welcome him as the gentleman from New Jersey (Mr. ROTHMAN) has done so magnificently with this resolution. I urge my colleagues to unanimously support it.

Mr. LANTOS. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. ROTHMAN), a distinguished former member of the Committee on International Relations whose interest on foreign policy has been retained even after he left our committee, and who is the author of this important resolution.

Mr. ROTHMAN. Mr. Speaker, I thank my distinguished colleague, the ranking member of the Committee on International Relations, the gentleman from California (Mr. LANTOS), who is a mentor to so many of us in this Congress and an example of what a Member of Congress can achieve not only in the Congress, but around the world with regard to human rights and so many other important issues.

While I have left the Committee on International Relations, I have not left the field, so to speak. I join many distinguished friends and colleagues on the Committee on Appropriations Subcommittee on Foreign Operations.

Mr. Speaker, I would like acknowledge the gentleman from Iowa (Mr. LEACH) for his work on the issues of human rights; and of course my cherished friend, the chairman of the Committee on International Relations, the gentleman from Illinois (Chairman HYDE) for all of his courtesies and leadership he has extended throughout the years. I would also like to thank the majority leader and our Democratic leader, the gentlewoman from California (Ms. PELOSI) whose eloquent remarks speak for themselves as to her long commitment to this issue of freedom for Tibet and the Tibetan people.

Mr. Speaker, the issue of Tibet is not a new one to this House, as the gentleman from California (Mr. LANTOS) and so many other Members have eloquently stated. Congress has been on record throughout these many, many years in support of the people of Tibet speaking out against the persecution of Tibetans, opposing the destruction of the 6,000 monasteries in Tibet. Congress is on record condemning the torture and abuse of Tibetan monks and nuns. Congress is on record bringing the world's attention to the economic marginalization and impoverishment of Tibetans in their own land.

□ 1215

We as a Congress have also provided support for the Tibetan refugees who have made the difficult journey and decision to leave Tibet and seek refuge from persecution in foreign lands. I am proud to add my voice as the sponsor of this resolution in support of the Tibetan people, led, of course, by His Holiness the Dalai Lama. That is because I believe that it is not only our obliga-

tion as freedom-loving Americans who believe in the value of each individual's human rights and dignity but because it is our moral duty, I believe, as human beings to speak out for the voiceless, the powerless, and the victims in the world.

Mr. Speaker, House Resolution 359 welcomes His Holiness the Dalai Lama to the United States and recognizes the Dalai Lama for his efforts to peacefully resolve the Tibetan issue. The measure encourages dialogue between the relevant parties, China and Tibet, in order to achieve genuine autonomy and respect for the human rights and religious freedoms of the people of Tibet.

Since 1959 when His Holiness the Dalai Lama was forced to flee his homeland of Tibet and seek refuge in India, he has worked tirelessly to improve the lives of Tibetans both inside and outside of Tibet and for a peaceful resolution to the conflict so that his fellow Tibetans can return to their homeland. The Dalai Lama has promoted a democratically elected government for Tibetans in exile located in Dharamsala, India; and he remains the head of state and spiritual leader of the Tibetan people. But His Holiness has indicated that should a negotiated settlement be reached on the issue of Tibet, he would not play any role in a future Tibetan government or seek the Dalai Lama's traditional political responsibilities. The Dalai Lama has also actively worked to sustain the distinct cultural and religious identity of Tibetans, which can be seen in Tibetan communities in India, Nepal, and in so many places around the world.

His Holiness the Dalai Lama has taken the courageous step of promoting his middle path, the middle-way approach, which provides genuine autonomy for Tibetans but does not call for independence or separation of Tibet. For over 40 years, His Holiness has been a leader in promoting non-violent solutions for conflicts across the globe and has been a vocal supporter of human rights for all people, including the freedom of religion. He was, as we know, awarded the Nobel Peace Prize in 1989 for these efforts.

Mr. Speaker, I ask all of my colleagues to support House Resolution 359 and ask for them to continue to speak out so that one day Tibetans will be afforded the basic human rights that every single human being on this planet deserves.

The SPEAKER pro tempore (Mr. DUNCAN). The time of the gentleman from California (Mr. LANTOS) has expired.

Mr. LEACH. Mr. Speaker, I yield 3 minutes to the gentlewoman from Minnesota (Ms. MCCOLLUM).

Ms. MCCOLLUM. Mr. Speaker, I rise to welcome His Holiness, the 14th Dalai Lama of Tibet, and to join with my colleagues in support of this resolution. The Dalai Lama's steadfast leadership and commitment to peace and positive social change for the people of Tibet has been a model for this world. His

continued defense of human rights worldwide is an inspiration to all of us.

In 2001, the Dalai Lama made a very special visit to Minnesota. It was an honor to have him in our State. It was a unique and exciting experience for all Minnesotans, but especially for the thousand Tibetans living in Minnesota. The Dalai Lama brought a message of faith, self-examination, and compassion to us in Minnesota. He continues to encourage all of us to take a firm position regarding principled matters, such as human rights, democracy, and religious freedom. Today, the Dalai Lama's message continues to resonate, and it is truly more important than ever. The defense of political, religious, and human rights requires constant vigilance. We must work with such inspirational leaders as the Dalai Lama to promote human rights, health, healing, opportunity, and hope for the people of Tibet, the United States, and the world.

I encourage all of my colleagues to take a moment to reflect on this very special message of peace, hope, and humanity that the Dalai Lama brings to us. This week I would urge all of my colleagues to join together in reflecting once again in peace, hope, and opportunity for our world. I urge my colleagues to support this resolution.

Mr. LEACH. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Mr. Speaker, I merely want to underscore how significant it is that across the political spectrum, Republicans and Democrats join forces in paying tribute both to the concept of the role of human rights in U.S. foreign policy and to the embodiment of human rights on this planet, His Holiness the Dalai Lama.

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

It is always awkward for this Congress, or any body, to comment on the affairs of other societies; but the uniqueness of our foundation as a nation state was that we were the first country established on the principle of individual rights which were assumed to be universal, not simply particular to those living in the original 13 colonies.

Thus we have an obligation to our forbears to speak to the universality of political values, rights endowed by a Creator to all citizens of this planet. It is in this context that we recognize the transcendent universality of the Dalai Lama's mantle of leadership values which track so consistently our heritage.

I urge Members to support this resolution.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to recognize His Holiness, the Dalai Lama for his commitment to non-violence, human rights, freedom, and democracy. I would like to thank Congressman ROTHMAN for introducing this bill for such an enigmatic and charismatic person whose lifetime we have the privilege of witnessing.

In 1959, the Dalai Lama was forced to flee his homeland of Tibet and seek refuge in India. In over 40 years in exile, the Dalai Lama has remained a true leader with integrity, inspiring others with his actions and philosophies. He has promoted compassion, non-violence, and peace as a solution both to the current crisis in Tibet and to other conflicts around the world.

The Dalai Lama has promoted democratic self-government and self-determination for Tibetans in exile as a model for securing freedom for all of Tibet, and he demonstrated his commitment thereto by relinquishing his political positions and turning these authorities over to elected Tibetan representatives. He works now for a peaceful solution for the Tibetan crisis that promises a future of autonomy; however, he has not called for independence and separation from China.

The Dalai Lama was awarded the Nobel Peace Prize in 1989 in recognition of his non-violent methods for resolving conflict and his continuous efforts to create a peaceful resolution in Tibet.

I am proud to say that Congress has consistently supported the people of Tibet, speaking out against the persecution of Tibetans, and opposing the destruction of over 6,000 monasteries. The torture and abuse of Tibetan monks and nuns is unacceptable, and we must do more to bring the world's attention to the impoverishment of Tibetans in their own land.

We must provide support for the refugees who have made the difficult decision to embark upon their journey to leave Tibet and seek refuge from persecution in foreign lands. As Ranking Member of the Immigration and Claims Subcommittee of the Judiciary Committee, I have compassion and empathy for their struggle for recognition of basic human rights as well as the adjustment it takes to resettle in a foreign land.

I am proud to join my colleagues today and advocate peaceful solutions to political problems. I believe we should encourage all parties to engage in positive dialogue to effectively reach a conclusion without violence. The Dalai Lama has been a role model and hero to his community, and his noble life should be an example to us all.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LEACH) that the House suspend the rules and agree to the resolution, H. Res. 359.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ROGERS of Kentucky. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative

days in which to revise and extend their remarks on the motion to go to conference on H.R. 2555, and that I may include tabular and extraneous material.

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

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2555, DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2004

Mr. ROGERS of Kentucky. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2555) making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2004, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. SABO

Mr. SABO. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. SABO moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 2555, be instructed to insist on inclusion of the highest possible level of funding for each homeland security, preparedness and disaster response program within Titles II, III and IV and on inclusion of House General Provision 521.

The SPEAKER pro tempore. Under clause 7 of rule XXII, the gentleman from Minnesota (Mr. SABO) and the gentleman from Kentucky (Mr. ROGERS) each will control 30 minutes.

The Chair recognizes the gentleman from Minnesota (Mr. SABO).

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

Mr. Speaker, as we meet today on the eve of September 11, I am one Member who remains very concerned about America's safety and the safety of the flying public. We can and must do more. My motion is just one important step in the right direction.

This motion to instruct conferees is very straightforward. It is a motion to instruct the House conferees to insist on the highest possible level of funding for each homeland security, preparedness and disaster response program in the bill and to insist on the amendment adopted on the House floor by a vote of 278 to 146 to require the screening of cargo carried in the belly of passenger aircraft.

As the conference on the fiscal year 2004 homeland security appropriations bill begins, we now have an opportunity to provide additional homeland security resources and help close known security gaps. We should do so. We should correct one of the most glaring

gaps in our aviation security program, the fact that all passengers and their bags are screened for explosives and weapons, but cargo carried in the same place as passenger baggage is not screened at all. The Markey amendment adopted on the floor seeks to eliminate this air security gap. The House conferees should insist on it.

Some have argued that the screening of cargo carried on passenger aircraft is impossible to do immediately and would result in a \$3 billion loss to the airline industry. This is an argument of a pre-9/11 America. We now screen passengers and their baggage. We did not before. We now secure cockpits. We did not before. Where there is a will, there is a way. The Congress either does or does not have that will. I think that the American public would "will" us to have the cargo carried on the airplanes they fly in screened.

I must point out, however, that the Markey amendment addressed only one of the homeland security gaps that exist today. There are many others. The higher levels in some of the funding differences between the House and Senate bills would help address other homeland security and preparedness shortfalls. The first affects the preparedness of our first responders. The House bill provides \$3.5 billion for the Office for Domestic Preparedness, \$625 million more than the Senate. If we were to accept the Senate level, our States and localities would lose \$625 million in funding that helps to better equip and train our Nation's first responders.

Only a few months ago, the Council on Foreign Relations released a report entitled, "First Responders, Drastically Underfunded, Dangerously Unprepared." The report stated that billions of dollars are needed to properly equip first responders. I do not know if their estimate is right, but I do know that a great deal of additional funding is needed. Therefore, our conferees should insist on the highest funding level possible.

The second has to do with our ability to identify and respond to medical emergencies. The House bill provides \$50 million for the Metropolitan Medical Response System. The Senate bill provides no funding. Not to fund this system would widen the homeland security gap that we have been trying to close.

The third deals with the porousness of our northern border, which is well known. The Air and Marine Interdiction office has told us of instances of smugglers and others being caught coming across our northern border.

□ 1230

Yet today we have no permanent air surveillance of our northern border.

The Senate bill provides a total of \$71 million to permanently monitor air activity along our northern border. The House bill provides no funding for this. I think we all see the need to fund this homeland security improvement.

The Senate bill provides a total of \$459 million for procurement and installation of airport explosive detection systems. The House bill provides \$335 million. A number of our Nation's airports may not meet the December 31 deadline for electronic screening of all checked baggage due to the fact that TSA has been slow to fund needed modifications. We should provide all of the funding we can to allow TSA to act quickly.

The Senate bill provides \$74 more than the House for 570 new Border Patrol agents and additional inspectors. The House bill provides few staffing increases in this area. The PATRIOT Act called for tripling of the number of agents and inspectors on our northern border, and the Senate funding would result in us meeting that requirement for border agents.

Lastly, the Senate bill provides \$156 million more than the House bill for Disaster Relief. We have woefully underfunded the Disaster Relief program for this year and now it looks like FEMA only has enough funding to get them to the beginning of the fiscal year 2004.

FEMA has been distributing only the funding that States and localities can immediately spend, so the backlog is growing. This further strains our citizens and communities that are already in distress.

Because all of these important programs may help close some of today's homeland security gaps and better prepare our Nation, this motion to instruct directs the House conferees to agree to the highest funding levels possible for homeland security, preparedness, and disaster response programs and to insist on inclusion of the Markey amendment to screen air cargo on passenger aircraft.

In summary, let me say that we should be doing all we can to close known security gaps today, not tomorrow.

Mr. Speaker, I urge the adoption of this motion to instruct conferees.

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

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

The SPEAKER pro tempore (Mr. DUNCAN). Does the gentleman from Minnesota have additional speakers?

Mr. SABO. Mr. Speaker, yes, I do. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking Democrat of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, it is appropriate that we appoint conferees and begin the conference on this, the day before September 11, as the gentleman from Minnesota has indicated. It is not appropriate, however, that we will be considering a conference bill in which the budget allocation of the House and Senate equals only \$29.4 billion, a mere 2.3 percent above today's funding. That does not even equal inflation.

The House and the Senate bills are, in this case, a bit different. The House

bill provides more funding for first responders. The Senate bill provides more funding to secure our northern border, as the gentleman has indicated, for airport security and for Disaster Relief. All of that is needed, plus more.

The House bill also includes the amendment offered by the gentleman from Massachusetts (Mr. MARKEY) to require that cargo carried on passenger aircraft is screened. This is the right thing to do. Today no cargo is screened. According to a TSA public statement there is a 35 to 65 percent likelihood that terrorists are planning to put a bomb in cargo on a passenger plane. But even if we were to do all of the things required and funded in the House and Senate bills, we will still leave many homeland security problems to deal with for another day.

Neither the House nor the Senate bill provides any funding to improve security at the perimeters or backsides of our airports. The ability to easily penetrate those backsides of our airports has been demonstrated on numerous occasions, most recently in New York, where fishermen lost due to a storm came ashore on the back side of JFK Airport and no one spotted them.

Neither the House nor the Senate bill provides sufficient funding to secure our ports by implementing the port security plans required under the Maritime Transportation Security Act in anything less than 20 years. Neither the House nor the Senate bill provides funding to fully implement the Markey amendment. Neither the House nor the Senate bill provides funding for Customs to substantially increase the checking of cargo entering through our ports for weapons of mass destruction.

The GAO has said that the current low inspection rate makes container shipments a prime target for terrorists. So I support the motion to instruct, because it is the only motion that we can offer under House rules which makes sense.

I do not support the majority party budget system that has gotten us to this ridiculous situation under which it is apparently fine to move quickly on an \$87 billion supplemental package for Iraq, but not fine to add a small percentage of this amount to better secure our homeland, our ports, our borders and our airports.

What kind of security do we have, when an individual could recently ship himself in a container from New York to another location in this country and not be detected, even though you had a human being inside the cargo box? I mean, how secure are we when that can happen? We have a long way to go before we meet the promises that so many of us made after 9/11.

The President told the country 2 days ago that 9/11 had taught him that we need to provide whatever is necessary for the security of the country. That being the case, I wish that he would accept some of the increases that we have asked for for more than a year-and-a-half on a bipartisan basis in

this House. I wish that we did not have a President who was vetoing more than \$1.5 billion of homeland security items that were passed in a bill that had 90 percent support of Republicans and Democrats alike in both the House and the other body. I wish we could get together on these items, which are clearly essential to the safety of our public and to the strength of this country at home.

I would urge Members to support the motion to recommit. It is the very least that we can do under these circumstances to secure the home front while we are obliterating the budget surplus by what we spend abroad to do the same thing.

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

Mr. SABO. Mr. Speaker, I yield 6 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, I thank the gentleman from Minnesota and the gentleman from Wisconsin for their leadership on this issue.

The issue that I am going to address today is one that goes to the heart of how serious we are in this country about protecting innocent Americans from a successful al Qaeda attack. On the second anniversary of September 11, we know that al Qaeda still maintains that planes are at the very top of their list of potentially successful attacks upon the physical and psychological well-being of our Nation.

Twenty-two percent of all air cargo in the United States is actually placed on passenger planes; not on cargo planes, on passenger planes. For each of us, as we get on a plane they screen our shoes, they screen our computers, our cell phones, our carry-on bags. Our luggage, if it is checked, is screened before it is put into the belly of the plane. But the cargo which is placed on that very same plane is not screened.

Now, we saw yesterday what happens, when a young man, Charles McKinley, successfully shipped himself from New York to Dallas without being detected except at the point at which he emerged from his box on the doorstep of his parents.

This is a funny cartoon about a very deadly, serious subject. If you are wearing shoes and pants, you get searched at the airport. If you are wearing a dress and heels, you get searched at the airport. But if you are wearing a box, like Charles McKinley, neither you nor the box gets searched. That is a homeland security hole that will get filled by al Qaeda if we do not fill it ourselves.

What the Transportation Security Administration and the Bush administration likes to call a "known shipper" program, I call an "unknown cargo" program. The known shipper regulations are a bureaucratic paper exercise, not a serious security program. Charles McKinley's little escapade has exposed the known shipper program as a complete and total fraud. What Mr. McKinley has pointed out to our country is

that if an enemy wants to terrorize this country, they do not need to worry about hiding a box cutter; they just need to sit quietly inside a box.

The Transportation Security Agency has announced yesterday that it is going to develop an individual passenger profile of every airline passenger based on the risk that they pose to committing a future act of terrorism. So in addition to taking off our shoes, having someone rifle through our luggage, having to pass through metal detectors, we will also be given a color code. Well, if you are shipping cargo, your color code is always the same, green. Go, put it on the passenger plane. Al Qaeda is, in fact, targeting these planes as a subject for the further terrorization of our country.

Now, Pan Am Flight 103 was brought down in 1988 over Lockerbie, Scotland, by a bomb contained in unscreened baggage. Today the victims of Pan Am Flight 103 are still concerned about airline security, and have endorsed the Markey-Shays amendment to require screening or inspection of cargo loaded on to passenger planes. In addition, the Coalition of Airline Pilots of America, which pilots so many of these planes, has also endorsed the Markey-Shays amendment, the idea of screening all cargo placed on passenger planes.

It is crazy for people to be sitting on planes with their screened shoes looking out the window at a cargo truck now loading cargo on the very same plane that has not been screened. We could have al Qaeda in a box just being shipped on these planes. They do not need a boarding pass to get on above, they can put their bombs on without a boarding pass underneath on the very same passenger plane. You could ship a terrorist through this loophole.

So, while up above in the passenger cabin we now have screening for the passengers, we have air marshals, we have a double reinforced steel door to the pilot's cabin, we have armed pilots and passengers who will jump any al Qaeda from now on, meanwhile, down below, nothing which will stop them from putting this cargo on.

Support this motion to instruct. The White House, the Senate, the cargo and airline industry must listen to the American people.

□ 1245

Mr. SABO. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. TURNER), the ranking Democrat on the authorizing committee.

Mr. TURNER of Texas. Mr. Speaker, I thank the distinguished chairman for yielding me this time.

Mr. Speaker, this is the week that we remember that attack on America that occurred on September 11, 2001. It is a time of mourning, a time of remembrance. We all remember the horror of the Twin Towers, the Pentagon, the crash in the open field in Pennsylvania. We remember the determination on the faces of firefighters and the workers who entered the fiery inferno in a val-

iant attempt to save the lives of people they did not know. We remember the resolve and the commitment that resounded throughout this Congress and this Nation in the aftermath of that dreadful day.

Never again, we said, would we be caught unprepared. Never again would we send some of our bravest citizens, our police, our firefighters, our emergency workers into harm's way unable to communicate with one another. Never again would we allow large security gaps that could be exploited by those who seek to do us harm.

Mr. Speaker, in the aftermath of September 11, this Congress responded with unprecedented speed and unity. We authorized the President to use force against the al Qaeda network and their sponsors, the Taliban. We enacted legislation to overhaul airport security, fortify our borders, secure our seaports. We proposed formation of a new Department of Homeland Security. These actions were only the first steps in what we intended to be a sustained effort to secure America from the threat of terrorist attack.

But, Mr. Speaker, 2 years after the attacks, security gaps remain; and it is our solemn duty to do all we can to move faster, to take stronger measures to deliver security to the American people. Two years after September 11, we still lack a unified terrorist watch list to help us thwart the attacks before they occur. Two years after September 11, our forces on the border need reinforcement and the Coast Guard is stretched to its limits trying to carry out its mandate to secure our ports and coastlines. We must deploy stronger forces on our borders and protect our ports and coastline to close that security gap. Two years after September 11, the first responders, the valiant men and women who risk all to keep us safe, do not have the equipment and training that they need to meet the threats posed by chemical, biological, and radiological attacks. First responders do not have the equipment they need to communicate at a disaster site. Clearly, we must move faster; we must be stronger in our commitment to these frontline soldiers.

Therefore, I fully support the motion offered by the ranking member of the Subcommittee on Homeland Security of the Committee on Appropriations.

We have been told that we are safer today than we were before September 11 of 2001, but that is not the test that we must pass. The question before us is are we as safe as we must be to protect the American people. By this measure, we have much yet to do. The sums requested by this motion are essential to fulfilling our commitment to protecting the American people. This is the first responsibility of government, and nothing else matters if we fail.

Mr. SABO. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. OBERSTAR).

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

If there had been a simple regulation in place in December 1988, Pan Am 103 likely never would have happened, and that is passenger bag match, an issue that later, the Commission on Aviation Security and Terrorism appointed by President Bush on which I served and my good colleague at the time, John Paul Hammerschmidt from this body, recommended. But it was recommended earlier in hearings that I had chaired as Chair of the Subcommittee on Investigations and Oversight that we have passenger bag match. Because when the aircraft arrived from Malta at Frankfurt, Germany, for the beginning of the Pan Am 103 trip and a bag was transferred from the Malta aircraft to the 727 of Pan Am to go on to London, the bag went on, but the passenger did not. If we had the rule in place that if the passenger is not on, the bag comes off, that bomb would never had been on board that plane.

Today, we have passenger bag match at American airports as a result of the Transportation Security Act that we passed in the aftermath of September 11. A much tougher bill, it did the things that our commission recommended in 1990.

So today, we have a situation where the TSA screeners at the Nation's airports know what is in the carryon, they know what is on your body, and if you have replacement parts, they know what is in your body; but they do not know what is in the box that goes in the cargo hold on that airplane, and they need to know that. Known shipper cargo match is a good idea, but screening that box as well is a better idea, and that is what we need to know.

In addition, I think unfortunately, while the committee and the chairman and the ranking member did all they could with the money available, the amounts provided in this bill for port security are grossly inadequate to meet the threat of international terrorism, which is moving to the new level of port security problems. The House-passed bill had \$150 million for port security grants, the Senate had \$100 million for port security grants. The Coast Guard has told our committee, the Committee on Transportation and Infrastructure, that it will cost ports and port operators \$1.6 billion in the next 2 years to comply with the security standards this body already voted and put into law. In the last round of security grants, there was \$150 million available and \$1 billion worth of applications.

One does not have to think too far back to the USS *Cole* with a small boat loaded with explosives ramming into the side of a U.S. naval war ship, blowing it to pieces, to imagine the same scenario in an offshore oil port in the Gulf of Mexico or in one of our busy ports on the east coast, the west coast, the Gulf Coast ports, or on one of the Great Lakes.

Neither the House nor the Senate Homeland Security Appropriation Act

includes any funding for conducting foreign port security assessments for the Coast Guard. We learned a lesson in aviation that we have to have American security personnel overseas, foreign airports, looking into their security arrangements and making independent assessments, and coming back and reporting to the FAA, to the Department of Transportation, and to the Congress. And we have the authority to say, if you do not do the security right overseas, your airplanes do not land in this country. So we have a hammer on them, and we can make them comply.

But in maritime, as a result of failure to have the funding for foreign port security assessments, those great maritime nations of Malta, Cyprus, Liberia, Panama, great Third World flag, third flag nations, are going to be the places that are going to conduct the security assessments and self-certify and say, everything is okay. It is not okay until we say so, until our Coast Guard is there with security personnel looking those ports over and assuring that they have put in place the measures that we require; and we have to do a better job on this side as well. Those Third World countries do little to enforce safety and security. We have to do it here, and we should do it in this bill.

Mr. SABO. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I must say that I think the chairman and the ranking member of this committee have done as best they can with what they have to do with. I also must note that 2 years later we are still struggling with getting the job done, and I think it is now time for us to press forward with all due haste to see that these homeland security issues are dealt with as quickly and as effectively as possible.

The House bill has \$650 million more for the Office of Domestic Preparedness. The conferees should give first responders this higher amount. The Senate bill has \$50 million for port security grants. That higher funding is critical. The President has asked for \$87 billion to make Iraq secure. Certainly, America deserves no less. We are spending about half as much, about half that much to try to make the American people secure.

The motion also instructs conferees to include a provision that requires all cargo on passenger planes to be screened. Obviously, this is something that needs to be done. But we do not want to be on this floor anytime in the future talking about what happened, what went wrong, what we should have done. Now is the time to deal with homeland security funded appropriately and get the job done for the American people that we know needs to be done and we know how to do it.

Mr. SABO. Mr. Speaker, my understanding is that I have the right to close, so I will reserve the balance of my time.

Mr. ROGERS of Kentucky. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us provides \$29.4 billion for the new Department of Homeland Security. That is an increase of over \$1 billion above the amounts proposed by the President, and it is \$535 million above the current year's spending.

This motion by the gentleman from Minnesota would result in more spending. We could spend all that we could beg, borrow, or steal in the name of homeland security, and it still would not be enough, according to some people. Throwing dollars at this problem of security will not necessarily add to our security. What we need is a sensible plan, spending sensible sums, for a comprehensive and complete system of protection of our people.

□ 1300

I think we have such a plan. And I am willing to accept the gentleman's motion and to do my best to meet its goals. But the motion gives me an opportunity, Mr. Speaker, on the eve of the day that changed America, 9-11, to reflect on that awful day, but also to reflect upon how far our Nation has come in protecting us from another such event.

The presumption in the motion is that we are not spending enough money to protect our Nation's homeland. I think the question is, is the glass half empty or is it half full? I think it is half full. We are not there yet, but we have come so far. We have come so far in these 2 years in protecting the country.

Since September 11 the Congress has provided almost \$76 billion for homeland security funding across the entire government. For the 22 agencies that now make up the new Department of Homeland Security, the Congress has provided almost \$44 billion through the current year, and then we add in the 2004 bill an additional \$29.4 billion, which brings the total to the Department for fiscal years 2002 through 2004 to \$73.3 billion. Protecting our borders is the first line of defense against terrorism. We include in the bill \$9 billion for border protection and related activities. That is an increase of \$400 million over fiscal 2003. Including \$2 billion for U.S. Coast Guard homeland security activities.

We make innovative technology and capital investments a priority, recognizing that our borders will only be secure when we use a combination of people and technology. But let us talk about the borders just a minute.

We have added inspectors, special agents, border patrol agents to these borders, we have added 5,400 new personnel at those borders. That increases the coverage in our ports by 25 percent. In addition to that, we have added 4,100 Coast Guard personnel to protect the ports, to protect the waterways, to increase the intensity and numbers of inspections at ports of entry into the

country; 4,100 new Coast Guard people on the job today that were not there before.

We will continue, and hear me now, we will continue to inspect 100 percent of all high-threat cargo and high-threat vessels coming into our waters. We cannot discuss in this open forum all that is being done in that respect. We would have to go into a classified briefing to do so, which we have done. I cannot talk about all of those things, but we are inspecting 100 percent of all high-threat cargo and high-threat vessels coming into our waters.

We have heard a lot about port security. In this bill we add \$100 million, another down payment to secure the critical port facilities. We add that to the \$388 million that is already appropriated for port security grants, a total funding level now of \$488 million. Radiation detectors, other technology, \$263 million for cargo screening and these technologies have been deployed at our busiest land and sea ports including Miami, Los Angeles, Newark. And we include in this bill another \$129 million for these technologies, which brings that total to \$392 million.

It has been said that we need to search these container pieces coming to us offshore before they get here. And that is precisely what the administration proposed and the Congress agreed to. We provide \$60 million for a thing called the Customs Container Security Initiative, fully funding that effort since it began. We include \$62 million in this bill bringing total funding for that project to \$122 million. And with that money, we are now in the process, either in the process or already searching these container pieces at 20 of the mega-ports around the world that ship us 80 percent of our container freight, searching those targets, that high-threat cargo before it ever reaches American ports so that we do not have to do it here.

We also place a very high priority on funding our State and local first responders. Homeland security, we have all said, is hometown security. And our hometowns are protected by our local firemen, local police, emergency personnel and the like. We have not shunned them and it is essential that they have the resources to address the needs of our hometowns. We will never forget the heroism on 9-11, of those wonderful first responders, so many of whom unfortunately gave their lives on 9-11. We include \$4.4 billion in this bill for those people, law enforcement, fire fighters, emergency personnel. And since September 11, the Congress has provided nearly \$21 billion for those State and local governments, for terrorism prevention and preparedness, most of which is going to our local first responders. Almost \$21 billion for your firemen, your first responders, your emergency technicians, your policemen, and more is on the way.

Science and technology efforts are critical to improving security, increasing the efficiency of what we do and increasing the costs. We include in this

bill \$900 million for science and technology, including \$60 million to design, develop and test anti-missile devices for commercial aircraft, \$60 million.

Then, of course, transportation security for those who fly. Since September 11, we have provided a total of \$10.3 billion for passenger safety through the Transportation Security Administration, including passenger, baggage, and cargo screening. An additional \$5.172 billion is included in the fiscal 2004 bill. And since September 11, we have included \$1.5 billion on explosive and trace detection systems, including the development, procurement, and installation. We include in this bill \$335 million more to buy more of these systems, as well as \$50 million for air cargo safety, and \$40 million for research on next generation technologies.

We come to this question that the gentleman from Massachusetts (Mr. MARKEY) has brought to our attention, and that is the safety or security of cargo on passenger planes. I think we all agree with his goal. It is our goal. It has been the goal of this subcommittee since we came into being, it seems like a long time ago, but it was only back in March that the subcommittee came into being. And, frankly, I am very proud of what our subcommittee has done. We have begun a staff. We had to find a place to meet. We had to hold hearings in Department where many of the principals were not yet sworn into office or confirmed, get the budget together, hold hearings, and then finally mark up a bill. And I am very proud to say that we were the first of the 13 appropriations bills brought to the floor and passed through the body, and we are the first to go to conference with the Senate. That is quite a record.

I am proud of the members of the subcommittee on both sides of the aisle, and I am especially proud of the staff on both sides of the aisle who have done a remarkable job of pulling all of this together.

We included in this bill \$50 million for air cargo screening. The Senate bill has 60. I think we can go higher and give the TSA the resources it needs for the development of an air cargo screening program for domestic and foreign cargo carriers and to develop a risk-based screening system, to identify pieces of cargo that require closer scrutiny even while we work at post-haste speed to develop the machinery that does not now exist to absolutely search all pieces going on passenger or cargo planes. Funds are also provided to research and development, new technologies that would make this happen.

Mr. Speaker, I have no problem with the motion to instruct. It is the goals that we share. We share the same goals that the motion elicits. I think we have developed a good bill. I am very proud of the efforts of the Nation since 9-11 to come to grips with a new terror, a new threat to our security. The President has led the effort on both fronts, that is to take the battle to the

terrorists on their own turf rather than wait until they come for us here, but at the same time preparing the Nation itself to defend itself against a terrorist who might make it through.

Do we have more to do? Absolutely. We have scratched the surface. But we have made a lot of progress and we will continue to make that progress.

Mr. Speaker, we are prepared to close.

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

Mr. SABO. Mr. Speaker, we have one speaker for the balance of our time.

The SPEAKER pro tempore (Mr. DUNCAN). The gentleman from Minnesota (Mr. SABO) has 1 minute remaining.

Mr. SABO. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. OBEY), the ranking member of the Committee on Appropriations.

Mr. OBEY. Mr. Speaker, I think the message here is simple: If Members think that our ports are safe enough, our borders are safe enough, our airlines are safe enough, then by all means, vote against this motion. But if you recognize that they are not, then you ought to vote for it.

But I would have one cautionary note. I would say to my friends on the majority side of the aisle, please do not vote for this motion if you then intend to scuttle the Markey amendment in conference. If that were to happen, it would be tantamount to deceiving the public and trying to have it both ways.

If you voted for this motion, stick to it in conference or else everything that we have tried to do today will be as phony as a \$3 bill.

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise in support of this motion to instruct conferees on our Nation's first Homeland Security Appropriations bill. Everyone expected that the new Homeland Security Department would experience the standard growing pains associated with the establishment of any new government agency and that such pains would get worked out over time. However, the situation that prompted the creation of this agency is different, and homeland security does not have the luxury to "get it right" over time. We must start getting it right the first time with this first appropriations bill. Accordingly, we must supply the necessary federal resources today, not tomorrow, and not after another terrorist attack.

While Chairman ROGERS and Ranking Member OBEY did the very best they could given their inadequate allocation, many important homeland security initiatives and programs remain underfunded. Understandably, we have focused our homeland security efforts on passenger aviation. But we must quickly provide similar focus to securing other likely targets including air cargo, seaports, electronic business systems, and other critical infrastructure. Strengthening and making less vulnerable our electronic business transactions would help protect both California's utility power grid and its economy, the fifth largest economy in the world. Providing perimeter security and thorough cargo screening will help ensure the safety of passengers and employees at Los Angeles International Airport, the nation's sec-

ond busiest airport. Screening cargo ships before they reach the mega seaport of Los Angeles-Long Beach will not only maintain the economic integrity of the nation's largest intermodal container port, but also protect the residents of the portside communities. Adequately funding these efforts would produce real and immediate benefits for my state and community.

We must also sufficiently fund all functions of homeland security including border and customs efforts, disaster relief, and first responders. However, prioritizing and funding these various security initiatives as we have done with aviation security can only be accomplished with the necessary resources. It is critical, therefore, that we make our position crystal clear and instruct House conferees to insist on the highest possible level of funding for each homeland security, preparedness, and disaster response program.

Mr. Speaker, if in these grave economic times, the administration believes we can afford to spend an additional \$87 billion for the military and reconstruction effort in Iraq in our campaign to prevent terrorism, then it is morally bound to support our efforts in Congress to provide the necessary resources for our own security in America.

I urge my colleagues to support the motion.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Minnesota (Mr. SABO).

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

Mr. SABO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

PROVIDING FOR CONSIDERATION OF H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 360 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 360

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. 2622) to amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. 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 Financial Services. 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 Financial Services 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 portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII and except pro forma amendments for the purpose of debate. Each amendment so printed may be offered only by the Member who caused it to be printed or a designee and shall be considered as read. 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.

□ 1315

The SPEAKER pro tempore (Mr. SWEENEY). The gentleman from Texas (Mr. SESSIONS) is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), my friend, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, the resolution before us is a fair and bipartisan modified open rule, simply requiring that proposed amendments to the underlying legislation be preprinted in the CONGRESSIONAL RECORD. This rule waives all points of order against consideration of the bill and provides for 1 hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services.

It provides that the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read.

It waives all points of order against the committee amendment in the nature of a substitute, and makes in order those amendments to the committee's amendment that are printed in the CONGRESSIONAL RECORD or are pro forma amendments for the purpose of debate. It also provides that only the Member who has authorized for an amendment to be printed or a designee may offer it and that each of these amendments shall be considered as read.

Finally, this rule also provides for one motion to recommit, with or without instructions.

It has also come to my attention that a clerical error has caused Amendment No. 15 to be incorrectly printed in the CONGRESSIONAL RECORD, and I would like to inform Members that a copy of the correct amendment is available at the desk for their review.

I rise today to introduce the rule for H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003, known as the FACT Act. This legislation represents a truly bipartisan effort by the Committee on Financial Services to produce a thoughtful and well-debated piece of legislation, and I would like to congratulate both the gentleman from Ohio (Chairman OXLEY) and the gentleman from Massachusetts (Ranking Member FRANK) for a great deal of credit for their leadership that each of them have shown throughout the process of bringing this bill to the floor today.

The United States enjoys a financial system that is the envy of the rest of the world. It is the most free market, transparent, open and robust system on the planet. American consumers and others who come from across the globe to conduct business here would not enjoy the benefits of this free market system without strong, smart laws to provide this transparency and freedom while offering meaningful consumer protections.

The Fair Credit Reporting Act legislation that we are debating today lives up to this same high standard of smart and strong financial policy. It promotes transparency and a dynamic economic system in America while protecting consumers by preserving the basis of our uniform national consumer credit system. The national system currently in place has tremendously beneficial effects on the American economy and for American consumers. It has provided for the democratization of consumer credit since the Fair Credit Reporting Act was first passed in 1970 by ensuring affordable access to credit for millions of Americans through uniform credit reporting standards, and it has increased the speed and efficiency at which these credit transactions can be processed.

This legislation also makes extensive revisions to the Fair Credit Reporting Act's, or FCRA's, provisions governing the accuracy of consumer reports and enhancing consumers' ability to correct errors in them. By improving the accuracy of these reports, both consumers and those who supply the marketplace with credit reports stand to benefit tremendously.

It should also be noted, as proof of their commitment to bipartisanship, that the Committee on Financial Services approved this legislation by a vote of 61 to 3, following an extensive and wide-ranging battery of hearings.

This legislation improves the accuracy of credit reports in a number of ways. It allows consumers to place

fraud alerts on their personal credit reports to prevent identity thieves from opening accounts under their name. It allows consumers to block information from being given credit to a credit bureau and from reporting by a credit bureau after filing a police report if such information results in identity theft. It gives consumers increased flexibility to dispute inaccurate information in their credit reports. It provides victims of identity theft with a summary of their rights and gives consumers the right to see their credit scores. It expands consumers' access to a free copy of their credit reports and protects consumer privacy by restricting access to consumers' sensitive health information.

This legislation also provides our Nation's financial institutions with new powers and obligations to ensure that they are doing as much as they can do in the battle against identity theft. The legislation requires credit card issuers to investigate suspicious address changes. It requires creditors to take additional precautions before extending additional credit to consumers who have placed a fraud alert on their files. It prohibits merchants from printing more than the last five digits of a payment card on an electronically printed receipt. It obligates banks to develop policies and procedures to identify potential instances of identity theft and to reconcile potentially fraudulent consumer address information during the opening of an account.

This legislation also contains a provision of special interest to me and a number of my colleagues from both sides of the aisle. Title VI of this legislation contains a provision that I have authored that I believe will improve workplace safety for millions of Americans. Right now, an opinion by the Federal Trade Commission uses an interpretation of FCRA to create a disincentive for employers to retain objective and professional investigators of workplace misconduct, such as sexual or racial harassment, workplace violence, threat, fraud, SEC violations or other improprieties.

This legislation would clarify that decision, ensuring that our workplaces are free of violence, fraud and intimidation by all employees.

The gentleman from California (Mr. DREIER), the Committee on Rules chairman; the gentleman from Massachusetts (Mr. FRANK), Committee on Financial Services ranking member, and a bipartisan coalition of other members of this body, including the gentleman from New York (Mr. SWEENEY) have cosponsored this provision, and I am glad that today, while we are doing as much as we can to help consumers and to preserve this great system of consumer credit, we have also taken the opportunity to do something for American's employees.

Mr. Speaker, this is a fair rule that every Member of the House should support. The underlying legislation is also a bipartisan effort that passed through

its committee of jurisdiction overwhelmingly and deserves the support of every Member of this body.

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

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. Mr. Speaker, first, let me thank my friend from Texas (Mr. SESSIONS) for yielding me the time.

Mr. Speaker, I support the underlying bill before us today, the Fair and Accurate Credit Transactions Act, and while the rule is not actually open and the gentlewoman from Oregon (Ms. HOOLEY), the gentleman from Washington (Mr. INSLEE) and the gentleman from Illinois (Mr. EMANUEL) each had amendments denied by the Committee on rules, it does allow Members to offer amendments that have been preprinted in the CONGRESSIONAL RECORD and that do not violate the rules of the House of Representatives.

Mr. Speaker, this bill is not perfect, but it is a bipartisan product, and the Democrats on the Committee on Financial Services, led by the gentleman from Massachusetts (Mr. FRANK), our ranking member, made significant improvements in it during the committee process. The resulting legislation includes new consumer protections against identity theft, a \$50 billion problem that claimed 10 million victims in 2002.

It requires credit bureaus to block adverse credit information that has resulted from identity theft and allows consumers to add fraud alerts to their credit information. Moreover, the bill strengthens consumers' rights to review their credit scores, allowing them to request a free credit report annually from each of the three major national credit bureaus.

It has provisions for medical privacy. It prevents in that regard disclosure of certain health information and prohibits credit bureaus from using medical information to determine credit eligibility.

Therefore, Mr. Speaker, I urge Members, as does the gentleman from Texas (Mr. FROST) who was to handle this rule but had other matters that called him away, but I am encouraged to say that he joins in supporting this bipartisan bill.

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

Mr. SESSIONS. Mr. Speaker, I yield 4 minutes to the gentleman from Dallas, Texas (Mr. HENSARLING), who is on the Committee on Financial Services.

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

Mr. Speaker, it is difficult to challenge the fact that Americans have the most accessible and lowest cost credit in the world. Uniform national standards have played a major role in this

development. These national standards have led to an increase in access to credit for many previously underserved populations, especially lower income Americans. This has created new economic freedoms for many who could not dream of such opportunity in the past, including unprecedented rates of homeownership and automobile ownership which are the envy of the world.

The FACT Act protects these standards. The FACT Act also protects consumers because the best consumer protection is a competitive marketplace and a free flow of accurate information. National standards allow numerous credit providers throughout the country to more effectively compete for each other consumers' business. In turn, consumers benefit through lower cost in a dizzying variety of credit products.

Mr. Speaker, the FACT Act plays an integral role in job creation as well. The Hispanic Chamber of Commerce has testified that seven out of 10 small businesses are started with less than \$20,000 and over 45 percent of them use credit cards as a major source of financing. If the national standards provided by the Fair Credit Reporting Act are allowed to expire, small businesses, the job engine of our economy, would face new obstacles and new burdens in obtaining much needed start-up and expansion capital. This will hurt jobs.

Some argue that national standards for credit reporting are not necessary and that consumer information and privacy would be more effectively regulated on a State-by-State basis, but most credit transactions take place across State lines, and such a patchwork of State-by-State laws would clearly interfere with the free flow of reliable information and the access to instant credit upon which our economy is dependent.

□ 1330

Mr. Speaker, it is no secret that identity theft is a growing problem in our society. As a former victim of identity theft myself, I am pleased to see that the FACT Act takes many steps to ensure that all the parties involved in identity theft are doing their part to protect both consumers and businesses. Law enforcement officials agree that national standards are vital, or play a vital role in combating identity theft, and this legislation works towards that end.

For the sake of jobs and the economy, for the sake of low-cost available credit, I urge all of my colleagues to vote for this rule and vote for the bipartisan FACT Act. And I want to thank the gentleman from Ohio (Mr. OXLEY) and the gentleman from Alabama (Mr. BACHUS) for their leadership on this vital issue.

Mr. HASTINGS of Florida. Mr. Speaker, I continue to reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield 1 minute to the gentlewoman from Tennessee (Mrs. BLACKBURN), one of the

bright young stars of the Republican majority and a member of the Committee on the Judiciary.

Mrs. BLACKBURN. Mr. Speaker, I rise in support of this rule and in passage of the Fair And Accurate Credit Transactions Act. H.R. 2622 makes permanent the national uniform standards for credit reporting that were established in 1996. This bill will do much to give consumers and small businesses protection from fraud and from identity theft.

National standards for the management of financial information have allowed more consumers to qualify for home loans, and we should not forget that home purchases and refinancing are keys to this economy's health. With 9.9 million victims of identity theft in 2002 alone, it is time for us to take action.

Now, I am one of those that prefers State control to Federal control, but Congress does have a responsibility under the Constitution for the oversight of interstate commerce, and credit is the key to the economic prosperity. Fifty different systems make credit less accessible, more expensive, and less reliable. This will help our lending institutions be better record-keepers, it will give consumers more control over their credit files, and ensure that lenders notify consumers before submitting negative credit information.

Mr. SESSIONS. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama (Mr. BACHUS), the chairman of the Subcommittee on Financial Institutions and Consumer Credit and the main sponsor of this legislation.

Mr. BACHUS. Mr. Speaker, I thank the vice chairman of the Committee on Rules for yielding me this time.

Mr. Speaker, our economy today is important to all of us. That goes without saying. But what a lot of people do not realize is that two-thirds of our economy is consumer spending. That is the driver in our economy today. And consumer spending today is contingent upon maintaining a national uniform credit reporting system. We have that today, but it will expire December 31.

Now, what has the national uniform credit reporting system done? A lot of people do not know that it exists, but we use it every day and the benefits to our country and to the American people have been immense. We have held eight hearings. We have had over 100 witnesses, and we have brought out legislation to protect the national uniform credit reporting system by a vote of 61 to 3 from the committee.

Since the institution of the national uniform credit reporting system, the number of Americans having credit extended to them has tripled in percentages. There was a time in this country, and our grandfathers and even our fathers or mothers might tell us about it, that when they needed a loan, they had to be eyeballed. We heard testimony of this in the committee. An individual

went down to the bank, they sat down and they were asked a series of questions. They could ask about your family. A lot of times credit was based on an individual's family or whether they had lived in a community for 2 or 3 years.

Credit could not be taken across State lines. Credit could not even be taken from one city to another. If someone moved and credit was dependent, and they had not had a job for over a year or 2 years, they did not get credit. That is all ended today. Almost all Americans today can get credit and credit from a number of sources.

Contrast that to Europe, contrast that to Asia where less than half the people in those countries today enjoy credit. Today, we can go down and buy an automobile, and within an hour it can be financed on the spot. We can apply for a home mortgage and have 20 or 30 different opportunities and rates. Credit cards? Some have argued there is too much credit out there. But let me say this. The other option is no credit. And in a country where we enjoy freedom and we enjoy choice, having a choice or having the ability to get a credit card is an important privilege.

Today or tomorrow we are going to vote on this legislation. It goes beyond renewing our national uniform credit reporting system. It addresses the shortcomings of that system. Most all of us have had constituents come to us, most of my colleagues in this body have shared stories with me and said there is something inaccurate on my credit report, and even though I have tried to repair it, it keeps popping up. There are important new rights for consumers to ensure that their credit reports will be more accurate in the future. What will that mean to them? It could mean getting a loan on a home mortgage at a half a percent or a quarter percent lower rate. What could that mean to them? It could mean as much as \$50,000 or \$75,000 over the term of the loan.

We have another problem in this country. The FTC said yesterday that it is a problem costing American consumers \$50 billion, something that was not even in our vocabulary 10 years ago, and it is called ID theft. There was a time that if someone wanted to rob, they went to a bank. Then we protected our banks with security guards and safes and systems like that. Then they started robbing railroad trains. They started attacking those because they were defenseless. Today, they do not have to rob a bank, if they are smart. They do not have to break into the mail. All they have to do is go on a computer and steal someone's ID. ID theft.

The FTC says that it cost American consumers \$50 billion last year. They say that there are probably a half million Americans who do not even know they have been the victim of ID theft. Many of those that we all represent have had \$100 or \$50 or \$20 taken from

them by ID theft. They do not know it, and they may never know it. This bill offers important new protections in that regard, and it does what the consumer groups have said was the number one need of Americans, and that is the ability to have their credit report, to have a free credit report, to be able to look at that credit report and see if it is accurate. This bill gives that right.

Also, if someone has been the victim of ID theft, and the gentlewoman from Oregon (Ms. HOOLEY), who cosponsored this bill with me along with the gentleman from Kansas (Mr. MOORE), who cosponsored this bill with me, the gentlewoman from Illinois (Mrs. BIGGERT), who cosponsored this bill, who were original lead cosponsors, all of them had constituents who told horror stories of being the victims of ID theft and not being able to defend themselves in a fair and expeditious manner, this legislation today will help those we represent who have been the victim of ID theft. It will also protect the rest of us from becoming victims of ID theft.

Will it end ID theft? No, it will not end ID theft. Will it help us protect ourselves against ID theft? Yes. Will it help us have more accurate credit reports? Yes. Will it help us continue to offer low interest rates and choices to low- and middle-income Americans? Yes, it will. Will it continue to help us protect an economy that is driven by consumer spending? Yes. An important bill? As important in finance as the national interstate highway system is to us in transportation.

Imagine if we did not have a national interstate system today for transportation. Well, imagine what it would be like if we do not pass this bill, and we do not do it in an expeditious manner, and we cripple this national uniform reporting agency. Our interstates today run straight through. They are seamless. We do not have a bunch of traffic lights on our interstates. What we have today and what we want to preserve is a seamless standard, one uniform standard nationwide; and that is what this bill we bring to the floor does today.

Our constituents will know nothing about this bill. They will probably read nothing about this bill. But this bill is very important to them. It is very important to business people. Today, a car dealer, every day, cannot make a sale without going to the national uniform credit reporting system. The national automobile dealers have joined over 100 other business groups in saying this is their number one priority for the year.

Mr. Speaker, this bill is the result of the leadership of the gentleman from Ohio (Mr. OXLEY), and it is the result of bipartisan support. It had 32 original cosponsors almost evenly divided between Democrats and Republicans. It is a good product. It is good for our constituents. Secretary of the Treasury John Snow advocated and was successful in his suggestion being incorporated

in this bill for further protections for the American people. And we will hear a lot about those in the next 4 or 5 hours as we consider this bill.

Mr. Speaker, we will need to consider the good within it. And I appreciate the gentleman on the other side of the aisle saying he supported the underlying bill. Let us not unravel that bill today. Some of these amendments may be considered innocuous, but after 6 months of looking at it and building a consensus, what we have included in this bill is what business groups, consumer groups, and other groups came to a consensus on. The administration, Democrats, Republicans in committee feel this is the very best bill; and that is what we will vote on today, hopefully.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 4 minutes to the gentlewoman from Oregon (Ms. HOOLEY). She too is one of the bipartisan cosponsors of this measure.

Ms. HOOLEY of Oregon. Mr. Speaker, I thank the gentleman for yielding me this time. I wish to thank the Committee on Rules for the work they have done in bringing us an open rule for the Fair and Accurate Credit Transactions Act so we can all openly debate this bill.

I would also like to thank the gentleman from Ohio (Mr. OXLEY), the chairman of the committee; the gentleman from Massachusetts (Mr. FRANK), the ranking member; the gentleman from Alabama (Mr. BACHUS), the subcommittee chairman; the gentleman from Vermont (Mr. SANDERS); the gentleman from Kansas (Mr. MOORE); the gentlewoman from Illinois (Mrs. BIGGERT); the gentleman from Ohio (Mr. LATOURETTE); and all of the others that worked so hard on this legislation. And particularly the gentleman from Alabama (Mr. BACHUS). I do not know how many meetings he held, but we held more meetings on this piece of legislation than any other piece of legislation I have had since I have been here.

Five years ago, I was at a meeting where we were talking about consumer credit and credit reports and what that meant to people, and I started hearing stories about identity theft. That is when I first introduced this bill and got interested in this. Very recently, I was at a meeting with some technology people, and we were talking about a bunch of other things. I gave a little spiel, and when I got through I had mentioned in my opening remarks some talk about identity theft. The rest of the conversation was about identity theft and the number of people that either had it happen to them or knew someone that had had it happen to them and talked about how awful it was to get through the process.

□ 1345

What we have before us today is a bill that will help prevent identity theft, and help people get through the

process a lot easier. It has more consumer protections than any piece of legislation that I have seen since I have been here. This bill is a bipartisan effort, and the final product is something we can all be proud of.

I did have one amendment which was not granted a waiver by the Committee on Rules. This amendment would have increased criminal penalties for identity thieves. I felt it was germane to the underlying legislation, to stem the tide of identity theft. While I am disappointed the amendment will not be considered today, I look forward to working with the Committee on the Judiciary and drafting legislation that will put more teeth into our laws to punish those criminals who prey on our Nation's consumers.

Mr. Speaker, I thank the Committee on Rules and the Committee on Financial Services for the fine work they have done on the Fair and Accurate Credit Transaction Act. I urge Members to support both the rule and final passage.

Mr. SESSIONS. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. OXLEY), the chairman of the Committee on Financial Services.

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

Mr. OXLEY. Mr. Speaker, I want to first applaud the Committee on Rules for granting an open rule here. This is a bill that in many ways reflects all of the folks in our district who rely on getting credit to make this economy run. That is pretty much everybody that we represent, and so to have a full and open debate on this legislation, after all, we are, in fact, reauthorizing the Fair Credit Reporting Act, and we will be making a lot of these provisions permanent, so this is a very important debate. Obviously, the opportunity to debate this fully is the proper thing to do.

This bill that we will be taking up under this open rule is in many ways landmark legislation, historic legislation that addresses some of the real needs that people have out there in terms of obtaining credit, of keeping our economy moving with easily available credit, for eliminating the paperwork and the time that it took for a long time to get auto loans and other consumer loans, and just as importantly, to protect individuals against theft of their own identity.

We carefully crafted, with the work of the gentlewoman from Oregon (Ms. HOOLEY), the gentleman from Ohio (Mr. LATOURETTE), the chairman of the subcommittee, the gentleman from Alabama (Mr. BACHUS), and other members of the committee, particularly the gentleman from Massachusetts (Mr. FRANK), to not only make this a reauthorization of the Fair Credit Reporting Act, but to encompass the real need to change the law as it regarded identity theft.

The Federal Trade Commission recently completed a study that indi-

cated that every year 10 million Americans have their identity stolen. One of the most gripping hearings that the gentleman from Alabama (Mr. BACHUS) conducted was to hear from a woman from Cleveland, a constituent of the gentleman from Ohio (Mr. LATOURETTE), testifying about how long it took her once she found out she was a victim of identity theft, to get her good credit back, the time it took, the amount of money it took, and this could be the kind of story that literally millions of people can tell every day.

So we set about working with the gentlewoman from Oregon (Ms. HOOLEY) and the gentleman from Ohio (Mr. LATOURETTE) and others to craft legislation that we could make part of this historic bill that we are going to be voting on this afternoon.

That was our goal and clearly we met it. The bill that we debated and marked up first in the subcommittee and then in our full committee turned out to be a bipartisan product that all of us can take a great deal of pride in. It is really how this place ought to work. It is how the legislative process ought to work when working on important pieces of legislation in a bipartisan manner to solve problems that bedevil our constituents. I think that is why the Committee on Rules recommended an open rule because they felt that we had this good bipartisan support; indeed, a 61-3 vote that came out of our committee, and a wide number of Members on both sides of the aisle, whether they were on the Committee on Financial Services or not, who share the same goals as we do in pursuing our efforts to reauthorize this legislation and particularly to provide strong consumer protections and protections against the theft of one's identity.

Mr. Speaker, that is what brings us here today. I would expect after some very vigorous debate and some amendments proffered, that at the end of the day, we will see a strong bipartisan vote in the House for this legislation.

I think that we will look back on this with a great deal of pride in what we have been able to accomplish.

Make no mistake about it, we have to reauthorize the existing Fair Credit Reporting Act by the end of this session of Congress. To do anything less would be a dereliction of our duty to maintain the strong credit reporting system that we have developed in this country in the 1996 Act. That is why I support the rule and obviously support passage of this historic legislation. Again, I thank the Committee on Rules for making our job just a little bit easier.

I would like to thank Mr. SESSIONS and the rest of the Committee on Rules for crafting a good rule that provides for the consideration of H.R. 2622, the Fair and Accurate Credit Transactions Act, or FACT Act. The rule before us today is a modified open rule that gives Members on both sides of the aisle full opportunity to propose amendments to this bipartisan legislation. It also allows our Democrat colleagues a motion to recommit.

It is not surprising that we would take up this important consumer protection legislation under such an open process. From the very beginning of the Financial Services Committee's consideration of this bill we have worked cooperatively with our Democrat colleagues on the committee. In April of this year, the ranking minority member of the committee, Mr. FRANK, and I announced that the committee would hold comprehensive hearings on issues relating to the reauthorizing of the Fair Credit Reporting Act, landmark consumer protection legislation first enacted in 1970. The legislation that emerged from that process—which included eight hearings and testimony from over 100 witnesses—is bipartisan in the truest sense of that word, as demonstrated by the overwhelming 61-3 committee vote on final passage.

Committee members, Republicans and Democrats alike, have realized that the FACT Act is critically important to the U.S. economy and the American public. How many times over the past 2 years have we heard that it is the American consumer who has almost single-handedly kept our economy afloat? At a time in our history when consumer spending accounts for over two-thirds of gross domestic product, any disruption in the free flow of affordable credit would have serious consequences for job creation and economic growth. By preserving our national credit reporting system the FACT ensures that this disruption will not put the brakes on an economy that is on the mend.

The FACT Act is one of the most comprehensive consumer protection bills the Congress will enact this year. It significantly advances the fight against identity theft, one of the fastest growing crimes in America. A study conducted by the FTC just last week outlines the dramatic increase in the rate and cost of identity theft crimes. The study indicates that 10 million Americans were victimized by identity thieves last year. The financial costs are staggering with over \$10,000 stolen in the average fraud, and American businesses and innocent victims spending upwards and innocent victims spending upwards of \$55 billion due to identity theft. The FTC's findings underscore the urgent need for Congress to pass this legislation.

While many members in our Committee contributed to this work product, I wanted to mention two members who deserve special recognition. I would like to thank Mr. FRANK for his contributions to this legislation, in particular for his attention to the legislation's provisions on medical privacy and on the accuracy of consumer reports. I also want to recognize the contribution of the author of this legislation, Mr. BACHUS, the chairman of the Financial Institutions and Consumer Credit Subcommittee, who painstakingly reviewed the issues addressed in this legislation in an exhaustive series of hearings and ushered the bill so successfully through his subcommittee.

On a related note, since the Financial Services Committee reported out H.R. 2622, the Government Accounting Office (GAO) submitted a statement to the Senate Banking Committee on July 31, 2003, emphasizing the critical nature of accurate credit reporting to the consumer credit process, and some notable inconsistencies in the accuracy of consumer credit reporting today. It has recently come to my attention that reporting an accurate date of delinquency may be complicated

by the relationship between the credit grantor, which originates and controls that data, and the data furnisher's role as the "intermediary" between the creditor and the consumer reporting agency. Maintaining and reporting accurate credit data will necessarily be a cooperative effort between the creditor and all other businesses engaged by the creditor to perform collection and data furnishing services. As this legislation moves to conference committee, I will continue to study the date of delinquency issue in hopes that the data furnishers who establish and follow the reasonable procedure requirements created in H.R. 2622 are not subject to unreasonable enforcement actions.

I urge my colleagues to support this fair rule and support the bill.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I compliment the gentleman from Ohio (Mr. OXLEY) and the ranking member for their efforts in this regard. As was said earlier, while the bill is not perfect, it does make significant improvements, and these came about during the bipartisan committee process.

With that in mind, I would hope that we would understand that strengthening consumers' rights is always a part of our responsibility. The one regret that we have is that the amendment of the gentlewoman from Oregon (Ms. HOOLEY) that was offered that was not made in order which would allow for criminal penalties for identity theft does seem to be a make-sense proposition, and hopefully at some point in the future, it will be undertaken in a positive way, which I believe will assist consumers.

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

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

Mr. Speaker, this debate today, this opportunity to talk about the Fair Credit Reporting Act with not only the gentleman from Florida (Mr. HASTINGS) and his colleagues on his side of the aisle, but my colleagues on this side of the aisle, we give thanks for a lot of hard work that has taken place.

The gentleman from Ohio (Mr. LATOURETTE) from the Committee on Financial Services, began the process, was a leader in the identity theft issue. The gentleman from Ohio (Mr. OXLEY) and the gentleman from Alabama (Mr. BACHUS) have done a fabulous job, but let us not forget the work that we did together with the ranking member, the gentleman from Massachusetts (Mr. FRANK) and others on the Democratic side, to ensure that this bill has the necessary protections.

I thank the staff director of the Committee on Rules Billy Pitts, and Josh Saltzman and Adam Jarvis, who are with the Committee on Rules, and from the White House we received a great deal of hard work from Elen Liang representing President Bush. I would like to thank them for their strong work. I support this rule and the underlying legislation, and I urge all of my colleagues to support it also.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER
PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY). Pursuant to clause 8 of rule XX, proceedings will resume on motions previously postponed.

Votes will be taken in the following order:

H. Res. 359, by the yeas and nays;

Motion to instruct on H.R. 1308, by the yeas and nays;

Motion to instruct on H.R. 2555, by the yeas and nays.

The first electronic vote will be conducted as a 15-minute vote. Remaining electronic votes will be conducted as 5-minute votes.

WELCOMING HIS HOLINESS THE
FOURTEENTH DALAI LAMA AND
RECOGNIZING HIS COMMITMENT
TO NON-VIOLENCE, HUMAN
RIGHTS, FREEDOM, AND DEMOC-
RACY

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 359.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa (Mr. LEACH) that the House suspend the rules and agree to the resolution, H. Res. 359, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 421, nays 0, not voting 13, as follows:

[Roll No. 492]

YEAS—421

Abercrombie	Blunt	Carson (IN)	DeLauro	Johnson, Sam	Owens
Ackerman	Boehlert	Carson (OK)	DeLay	Jones (NC)	Oxley
Aderholt	Boehner	Carter	DeMint	Jones (OH)	Pallone
Akin	Bonilla	Case	DeMint	Kanjorski	Pascarell
Alexander	Bonner	Castle	Deutsch	Kaptur	Pastor
Allen	Bono	Chabot	Diaz-Balart, L.	Kelly	Paul
Andrews	Boozman	Chocola	Diaz-Balart, M.	Kennedy (MN)	Payne
Baca	Boswell	Clay	Dicks	Kennedy (RI)	Pearce
Bachus	Boucher	Clyburn	Dingell	Kildee	Pelosi
Baird	Boyd	Coble	Doggett	Kilpatrick	Pence
Baker	Bradley (NH)	Cole	Dooley (CA)	Kind	Peterson (MN)
Baldwin	Brady (PA)	Collins	Doolittle	King (IA)	Peterson (PA)
Ballance	Brady (TX)	Conyers	Doyle	King (NY)	Petri
Ballenger	Brown (OH)	Cooper	Dreier	Kingston	Pickering
Barrett (SC)	Brown (SC)	Costello	Duncan	Kirk	Pitts
Bartlett (MD)	Brown, Corrine	Cox	Dunn	Kleczka	Platts
Barton (TX)	Brown-Waite,	Cramer	Edwards	Kline	Pomboy
Bass	Ginny	Crane	Ehlers	Knollenberg	Porter
Beauprez	Burgess	Crenshaw	Emanuel	Kolbe	Portman
Becerra	Burns	Crowley	Engel	Kucinich	Price (NC)
Bell	Burr	Cubin	English	LaHood	Pryce (OH)
Bereuter	Burton (IN)	Culberson	Eshoo	Lampson	Putnam
Berkley	Buyer	Cummings	Etheridge	Langevin	Quinn
Berman	Calvert	Cunningham	Evans	Lantos	Radanovich
Berry	Camp	Davis (AL)	Everett	Larsen (WA)	Rahall
Biggart	Cannon	Davis (CA)	Farr	Larson (CT)	Ramstad
Bilirakis	Cantor	Davis (FL)	Fattah	LaTourrette	Regula
Bishop (GA)	Capito	Davis (TN)	Feeney	Leach	Rehberg
Bishop (NY)	Capps	Davis, Tom	Ferguson	Lee	Renzi
Bishop (UT)	Capuano	Deal (GA)	Filner	Levin	Reynolds
Blackburn	Cardin	DeFazio	Flake	Lewis (CA)	Rodriguez
Blumenauer	Cardoza	DeGette	Fletcher	Lewis (GA)	Rogers (AL)
			Foley	Lewis (KY)	Rogers (KY)
			Forbes	Linder	Rogers (MI)
			Ford	Lipinski	Rohrabacher
			Fossella	LoBiondo	Ros-Lehtinen
			Frank (MA)	Lofgren	Ross
			Franks (AZ)	Lowe	Rothman
			Frelinghuysen	Lucas (KY)	Roybal-Allard
			Frost	Lucas (OK)	Royce
			Gallegly	Lynch	Ruppersberger
			Garrett (NJ)	Majette	Rush
			Gerlach	Maloney	Ryan (OH)
			Gibbons	Manzullo	Ryan (WI)
			Gilchrest	Markey	Ryan (KS)
			Gillmor	Marshall	Sabo
			Gingrey	Matheson	Sanchez, Linda
			Gonzalez	Matsui	T.
			Goode	McCarthy (MO)	Sanchez, Loretta
			Goodlatte	McCarthy (NY)	Sanders
			Gordon	McCollum	Sandlin
			Goss	McCotter	Saxton
			Granger	McCrery	Schakowsky
			Graves	McDermott	Schiff
			Green (TX)	McGovern	Schrock
			Green (WI)	McHugh	Scott (GA)
			Greenwood	McInnis	Scott (VA)
			Grijalva	McIntyre	Sensenbrenner
			Gutierrez	McKeon	Serrano
			Gutknecht	McNulty	Sessions
			Hall	Meehan	Shadegg
			Harman	Meek (FL)	Shaw
			Harris	Meeks (NY)	Shays
			Hart	Menendez	Sherman
			Hastings (FL)	Mica	Sherwood
			Hastings (WA)	Michaud	Shimkus
			Hayes	Millender-	Shuster
			Hayworth	McDonald	Simmons
			Hefley	Miller (FL)	Simpson
			Hensarling	Miller (MI)	Skelton
			Herger	Miller (NC)	Slaughter
			Hill	Miller, Gary	Smith (MI)
			Hinche	Miller, George	Smith (NJ)
			Hinojosa	Mollohan	Smith (TX)
			Hobson	Moore	Smith (WA)
			Hoeffel	Moran (KS)	Snyder
			Holden	Moran (VA)	Solis
			Holt	Murphy	Souder
			Honda	Murtha	Spratt
			Hooley (OR)	Musgrave	Stark
			Hostettler	Myrick	Stearns
			Houghton	Nadler	Stenholm
			Hoyer	Napolitano	Strickland
			Hulshof	Neal (MA)	Stupak
			Hunter	Nethercutt	Sullivan
			Hyde	Neugebauer	Sweeney
			Inslee	Ney	Tancredo
			Isakson	Northup	Tanner
			Israel	Norwood	Tauscher
			Issa	Nunes	Tauzin
			Jackson (IL)	Nussle	Taylor (MS)
			Jackson-Lee	Oberstar	Taylor (NC)
			(TX)	Obey	Terry
			Jefferson	Olver	Thomas
			Jenkins	Ortiz	Thompson (CA)
			John	Osborne	Thompson (MS)
			Johnson (CT)	Ose	Thornberry
			Johnson (IL)	Otter	Tiahrt
			Johnson, E. B.		

Tiberi Vitter Wexler
 Tierney Walden (OR) Whitfield
 Toomey Walsh Wicker
 Towns Wamp Wilson (NM)
 Turner (OH) Waters Wilson (SC)
 Turner (TX) Watt Wolf
 Udall (NM) Waxman Wu
 Upton Weiner Wynn
 Van Hollen Weldon (FL)
 Velazquez Weldon (PA)
 Visclosky Weller Young (FL)

NOT VOTING—13

Davis (IL) Istook Udall (CO)
 Davis, Jo Ann Janklow Watson
 Emerson Keller Woolsey
 Gephardt Rangel
 Hoekstra Reyes

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.

□ 1415

Mr. MENENDEZ changed his vote from “nay” to “yea.”

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the remainder of this series will be conducted as 5-minute votes.

MOTION TO INSTRUCT CONFEREES ON H.R. 1308, TAX RELIEF, SIMPLIFICATION, AND EQUITY ACT OF 2003

The SPEAKER pro tempore. The unfinished business is the vote on the motion to instruct on H.R. 1308 offered by the gentleman from Maryland (Mr. RUPPERSBERGER) on which the yeas and nays were ordered.

The Clerk will designate the motion. The Clerk designated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Maryland (Mr. RUPPERSBERGER).

This will be a 5-minute vote. The vote was taken by electronic device, and there were—yeas 206, nays 213, not voting 15, as follows:

[Roll No. 493]

YEAS—206

Abercrombie Boswell Costello
 Ackerman Boucher Cramer
 Alexander Boyd Crowley
 Allen Brady (PA) Cummings
 Andrews Brown (OH) Davis (AL)
 Baca Brown, Corrine Davis (CA)
 Baird Capps Davis (FL)
 Baldwin Capuano Davis (TN)
 Ballance Cardin DeFazio
 Becerra Cardoza DeGette
 Bell Carson (IN) Delahunt
 Bereuter Carson (OK) DeLauro
 Berkley Case Deutsch
 Berman Castle Dicks
 Berry Clay Dingell
 Bishop (GA) Clyburn Doggett
 Bishop (NY) Conyers Dooley (CA)
 Blumenauer Cooper Doyle

Edwards Leach Rodriguez
 Ehlers Lee Ross
 Emanuel Levin Rothman
 Engel Lewis (GA) Roybal-Allard
 Eshoo Lipinski Ruppersberger
 Etheridge Lofgren Rush
 Evans Lowey Ryan (OH)
 Farr Lucas (KY) Sabo
 Fattah Lynch Sanchez, Linda
 Filner Majette T.
 Ford Maloney Sanchez, Loretta
 Frank (MA) Markey Sanders
 Frost Marshall Sandlin
 Gonzalez Matheson Schakowsky
 Gordon Matsui Schiff
 Green (TX) McCarthy (MO) Scott (GA)
 Grijalva McCarthy (NY) Scott (VA)
 Gutierrez McCollum Serrano
 Hall McDermott Sherman
 Harman McGovern Skelton
 Hastings (FL) McIntyre Slaughter
 Hill McNulty Smith (NJ)
 Hinchey Meehan Smith (WA)
 Hinojosa Meek (FL) Smith (TX)
 Hoefel Meeke (NY) Snyder
 Holden Menendez Solis
 Holt Michaud Spratt
 Honda Millender Stark
 Hooley (OR) McDonald Stenholm
 Hoyer Miller (NC) Strickland
 Insee Miller, George Stupak
 Israel Mollohan Tanner
 Jackson (IL) Moore Tauscher
 Jackson-Lee Moran (VA) Taylor (MS)
 (TX) Murtha Thompson (CA)
 Jefferson Nadler Thompson (MS)
 John Napolitano Tierney
 Johnson, E. B. Neal (MA) Towns
 Jones (OH) Oberstar Turner (TX)
 Kanjorski Obey Udall (NM)
 Kaptur Olver Upton
 Kennedy (RI) Ortiz Van Hollen
 Kildee Owens Velazquez
 Kilpatrick Pallone Visclosky
 Kind Pascrell Waters
 Kleczka Pastor Watson
 Kucinich Payne Watt
 Lampton Lampson Waxman
 Langevin Pelosi Weiner
 Lantos Peterson (MN) Wexler
 Larsen (WA) Pomeroy Wu
 Larson (CT) Price (NC) Wynn
 Rahall

NAYS—213

Aderholt Curberson Hostettler
 Akin Cunningham Hulshof
 Bachus Cunningham Hunter
 Baker Deal (GA) Hyde
 Barrett (SC) DeLay Isakson
 Bartlett (MD) DeMint Issa
 Barton (TX) Diaz-Balart, L. Istook
 Bass Diaz-Balart, M. Jenkins
 Beauprez Doolittle Johnson (CT)
 Biggert Dreier Johnson (IL)
 Bilirakis Duncan Johnson, Sam
 Bishop (UT) Dunn Jones (NC)
 Blackburn Everrett Kelly
 Blunt Feeney Kennedy (MN)
 Boehlert Ferguson King (IA)
 Boehner Flake King (NY)
 Bonilla Fletcher Kingston
 Bonner Foley Kirk
 Bono Forbes Kline
 Boozman Fossella Knollenberg
 Bradley (NH) Franks (AZ) Kolbe
 Brady (TX) Frelinghuysen LaHood
 Brown (SC) Gallegly Latham
 Brown-Waite, Garrett (NJ) LaTourette
 Ginny Gerlach Lewis (CA)
 Burgess Gibbons Lewis (KY)
 Burns Gilchrest Linder
 Burr Gillmor LoBiondo
 Burton (IN) Gingrey Lucas (OK)
 Buyer Goode Manzullo
 Calvert Goodlatte McCotter
 Camp Goss McCrery
 Cannon Granger McHugh
 Cantor Graves McInnis
 Capito Greenwood McKeon
 Carter Gutknecht Mica
 Chabot Harris Miller (FL)
 Chocola Hart Miller (MI)
 Coble Hastings (WA) Miller, Gary
 Cole Hayes Moran (KS)
 Collins Hayworth Murphy
 Cox Hefley Musgrave
 Crane Hensarling Myrick
 Crenshaw Herger Nethercutt
 Cubin Hobson Neugebauer

Ney Renzi Sweeney
 Northup Reynolds Tancred
 Norwood Rogers (AL) Tauzin
 Nunes Rogers (KY) Taylor (NC)
 Nussle Rogers (MI) Terry
 Osborne Rohrabacher Thomas
 Ose Ros-Lehtinen Thornberry
 Otter Royce Tiahrt
 Oxley Ryan (WI) Tiberi
 Paul Ryun (KS) Toomey
 Pearce Saxton Turner (OH)
 Pence Schrock Vitter
 Peterson (PA) Sensenbrenner Walden (OR)
 Petri Sessions Walsh
 Pickering Shadegg Wamp
 Pitts Shaw Weldon (FL)
 Platts Shays Weldon (PA)
 Pombo Sherwood Weller
 Porter Shimkus Whitfield
 Portman Shuster Wicker
 Pryce (OH) Simmons Wilson (NM)
 Putnam Simpson Wilson (SC)
 Quinn Smith (MI) Wolf
 Radanovich Smith (TX) Young (AK)
 Ramstad Souder Young (FL)
 Regula Stearns
 Rehberg Sullivan

NOT VOTING—15

Ballenger Gephardt Keller
 Davis (IL) Green (WI) Rangel
 Davis, Jo Ann Hoekstra Reyes
 Emerson Houghton Udall (CO)
 English Janklow Woolsey

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1425

Messrs. SAXTON, TERRY and MCINNIS changed their vote from “yea” to “nay.”

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

Mr. GREEN of Wisconsin. Mr. Speaker, earlier today I unfortunately missed a vote because I was unavoidably detained elsewhere in the Capitol. Had I been here, I would have voted “no” on rollcall vote 493, the Motion to Instruct Conferees on the Tax Relief, Simplification and Equity Act.

MOTION TO INSTRUCT CONFEREES ON H.R. 2555, DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS ACT, 2004

The SPEAKER pro tempore. The pending business is the question on the motion to instruct conferees on the bill, H.R. 2555.

The Clerk will designate the motion. The Clerk designated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Minnesota (Mr. SABO) on which the yeas and nays are ordered.

This will be a 5-minute vote. The vote was taken by electronic device, and there were—yeas 347, nays 74, not voting 13, as follows:

[Roll No. 494]

YEAS—347

Abercrombie Baker Bereuter
 Ackerman Baldwin Berkley
 Alexander Ballance Berman
 Allen Bass Berry
 Andrews Beauprez Bilirakis
 Baca Becerra Bishop (GA)
 Bachus Bell Bishop (NY)

Blumenauer Greenwood
Boehlert Grijalva
Bonilla Gutierrez
Bono Hall
Boozman Harman
Boswell Harris
Boucher Hart
Boyd Hastings (FL)
Bradley (NH) Hastings (WA)
Brady (PA) Hayes
Brady (TX) Hayworth
Brown (OH) Hefley
Brown (SC) Hensarling
Brown, Corrine Herger
Brown-Waite, Ginny Hinchey
Burgess Hinojosa
Burns Hobson
Burr Hoeffel
Burton (IN) Holden
Buyer Holt
Calvert Honda
Camp Hooley (OR)
Cantor Hostettler
Capito Hoyer
Capps Hulshof
Capuano Hunter
Cardin Hyde
Cardoza Inslee
Carson (IN) Israel
Carson (OK) Issa
Case Istook
Castle Jackson (IL)
Chabot Jackson-Lee
Clay (TX)
Clyburn Jefferson
Coble Jenkins
Cole John
Conyers Johnson (CT)
Cooper Johnson, E. B.
Costello Jones (NC)
Cox Jones (OH)
Cramer Kanjorski
Crowley Kaptur
Cummings Kelly
Cunningham Kennedy (RI)
Davis (AL) Kildee
Davis (CA) Kilpatrick
Davis (FL) Kind
Davis (TN) King (NY)
DeFazio Kirk
DeGette Kolbe
Delahunt Kucinich
DeLauro LaHood
DeLay Lammson
Deutsch Langevin
Diaz-Balart, L. Lantos
Diaz-Balart, M. Larsen (WA)
Dicks Larson (CT)
Dingell Latham
Doggett LaTourrette
Dooley (CA) Leach
Doolittle Lee
Doyle Levin
Dunn Lewis (CA)
Edwards Lewis (GA)
Emanuel Lewis (KY)
Engel Lipinski
English LoBiondo
Eshoo Lofgren
Etheridge Lowey
Evans Lucas (KY)
Everett Lucas (OK)
Farr Lynch
Fattah Majette
Ferguson Maloney
Filner Manzullo
Fletcher Markey
Foley Marshall
Forbes Matheson
Ford Matsui
Fossella McCarthy (MO)
Frank (MA) McCarthy (NY)
Frelinghuysen McCollum
Frost McCotter
Gallegly McCrery
Gerlach McDermott
Gilchrest McGovern
Gillmor McHugh
Gingrey McInnis
Gonzalez McIntyre
Goode McNulty
Goodlatte Meehan
Gordon Meek (FL)
Goss Meeks (NY)
Granger Menendez
Graves Michaud
Green (TX) Millender
Green (WI) McDonald

Miller (MI)
Miller (NC)
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Nethercutt
Neugebauer
Northup
Nunes
Oberstar
Obey
Olver
Ortiz
Ortiz
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Rahall
Ramstad
Rehberg
Renzi
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Sanchez, Linda
T.
Sanchez, Loretta
Lee
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Serrano
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sweeney
Tancred
Tanner
Tauscher
Tauzin
Taylor (MS)

Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Turner (OH)
Turner (TX)
Udall (NM)
Upton
Van Hollen
Velazquez
Visclosky
Vitter
Walden (OR)
Walsh
Wamp
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Wu
Wynn
Young (AK)
Nussle
Osborne
Otter
Oxley
Paul
Pence
Petri
Pitts
Radanovich
Regula
Rohrabacher
Ryan (WI)
Sensenbrenner
Sessions
Shadegg
Smith (MI)
Sullivan
Terry
Thornberry
Tiahrt
Toomey
Weldon (FL)
Wilson (SC)
Young (FL)

NAYS—74

Aderholt
Akin
Baird
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggart
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Cannon
Carter
Chocola
Collins
Crane
Crenshaw
Cubin
Culberson
Davis, Tom
Deal (GA)
DeMint
Dreier
Duncan
Ehlers
Feeney
Flake
Franks (AZ)
Garrett (NJ)
Gibbons
Gutknecht
Isakson
Johnson (IL)
Johnson, Sam
Kennedy (MN)
King (IA)
Kingston
Kline
Knollenberg
Linder
McKeon
Mica
Miller (FL)
Miller, Gary
Musgrave
Myrick
Ney
Norwood

NOT VOTING—13

Davis (IL)
Davis, Jo Ann
Emerson
Gephardt
Hoekstra
Houghton
Janklow
Keller
Klecza
Rangel
Reyes
Udall (CO)
Woolsey

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY) (during the vote). Members are advised there are less than 2 minutes remaining in this vote.

□ 1434

Messrs. BURGESS, GINGREY, and BOOZMAN changed their 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.

PERSONAL EXPLANATION

Mr. Speaker, on rollcall Nos. 492, 493, 494, I could not be here to vote as I was with President Bush in my District as he spoke to the Marines, FBI, and 1st responders at the FBI Lab at Quantico, VA. Had I been present, I would have voted "no" on 492; "no" on 493; and "yes" on 494.

APPOINTMENT OF CONFEREES

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs ROGERS of Kentucky, YOUNG of Florida, WOLF, WAMP, and LATHAM, Mrs. EMERSON, Ms. GRANGER, Messrs. SWEENEY, SHERWOOD, SABO, PRICE of North Carolina, SERRANO, Ms. ROYBAL-ALLARD, and Messrs. BERRY, MOLLOHAN, and OBEY.

There was no objection.

ANNOUNCEMENT OF PRAYER
BREAKFAST MEETING TOMORROW

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

Mr. BOSWELL. Mr. Speaker, as my colleagues probably know, many of them, I am president of the prayer breakfast in the House of Representatives, meeting every Thursday morning at 8 o'clock when we are here. With the announcement of tomorrow, the question has come up from several about tomorrow and the fact that it is Remembrance Day, a very important day.

We will, repeat, we will continue with the regularly scheduled breakfast, as a number of Members are going to be here. It will be the regular time, 8 o'clock, in the Members' dining room here in the Capitol building. Tomorrow at 8 o'clock, the prayer breakfast will proceed.

INSTITUTIONAL INTEGRITY

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

Mr. FRANK of Massachusetts. Mr. Speaker, last night as we were discussing the length of the vote, I made some comments which, as I think about them this morning, were inappropriate. I meant to make a point about institutional integrity; and as I rethink what I said, it was inappropriately personally aimed at the gentleman from Texas who was in the chair.

So without repeating the offense, I just want to apologize to the gentleman from Texas. My comment should have been more institutional and not personal, and I thank the House for its indulgence.

PERSONAL EXPLANATION

Mr. HASTINGS of Florida. Mr. Speaker, yesterday during the consideration of H.R. 2989, I inadvertently voted "yes" on rollcall number 482. My vote should have been "no."

GENERAL LEAVE

Mr. OXLEY. 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. 2622, the Fair and Accurate Credit Transactions Act of 2003.

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

There was no objection.

FAIR AND ACCURATE CREDIT
TRANSACTIONS ACT OF 2003

The SPEAKER pro tempore. Pursuant to House Resolution 360 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. 2622.

The Chair designates the gentleman from Idaho (Mr. SIMPSON) as chairman of the Committee of the Whole, and requests the gentleman from New York (Mr. QUINN) to assume the chair temporarily.

□ 1439

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. 2622) to amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore (Mr. QUINN). Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I am proud to stand before the House today with this important bipartisan jobs bill. When 9/11 hit our country, our committee responded quickly with bipartisan legislation: the U.S. PATRIOT Act and the Terrorism Risk Insurance Act. When the securities markets fell into crisis with corporate scandals, we swiftly passed the Sarbanes-Oxley Act. Today, as the preemptions in our national credit markets are set to expire, we again have responded swiftly and responsibly with a bipartisan solution to keep the American economy stable and growing.

Since the Fair Credit Reporting Act passed with its amendments, we have achieved some of the lowest mortgage rates and credit rates on record, with more competitive offerings for consumers than ever before. Mortgage and credit approvals that used to take weeks or even months are now completed in a matter of minutes, giving consumers more flexibility, making credit more affordable and available, and creating more jobs and economic growth for all Americans.

American consumers and workers also enjoy unprecedented mobility thanks to our national credit system. According to the Congressional Research Service, our national credit standards have enabled the U.S. to achieve one of the most mobile societies with 14.5 percent of our population moving in any given year, and lower-income individuals more likely to move than higher-income groups. Throughout modern history, national economies have risen and fallen based, in large part, on the flexibility and mobility of labor and management. This freedom is possible only because con-

sumers have portable credit histories and can move from State to State. These advantages of our national system, greater choices, lower interest rates, faster and more available credit, mobility, jobs, and economic growth begin to be lost if we fail to enact legislation by the end of this year and allow our national system to expire.

In addition to preserving our national credit system, the FACT Act is one of the most comprehensive consumer protection bills that this Congress will enact this year. The FTC released a study just last week on one of the most troublesome problems that consumers are faced with today, and that is identity theft. The FTC found that 10 million Americans were victimized by identity thieves last year, costing consumers and businesses over \$50 billion, not counting the 300 million hours spent by victims to try to repair damaged credit records. And these victim numbers have been skyrocketing. Congress needs to pass strong uniform identity theft protections and needs to do it now.

The FACT Act fights identity theft based on language drawn roughly half each from bipartisan Democrat and Republican proposals. Consumers would be able to place fraud alerts in their credit reports to prevent identity thieves from opening accounts in their names. They can block fraudulent income resulting from identity theft and benefit from provisions ensuring greatly improved accuracy of information before it ever gets reported. Consumers would be given the right to access their credit scores, along with free credit reports so that every American could easily and annually review their credit reports to ensure that no funny business has occurred. And they would be given greater access to information to better understand their rights, to more easily dispute inaccuracies with real investigations required, and the ability to know in advance if any lender is going to submit negative information into their records.

We have also greatly increased the privacy protections for all Americans. We have simplified and made it easier for consumers to limit unsolicited marketing offers. In combination with the FTC's do-not-call proposals, this will help every American consumer control the marketing information that they wish to receive. Equally important, we provide critical new protections for consumers' medical information. After this bill is enacted, lenders will not be able to use medical information without an individual's consent, nor will they be able to share or have access to unencrypted private medical information without consent. These are important benefits that will protect consumers in every State.

I expect that a small number of Members may want to prune back this legislation, unintentionally weakening the national credit system and undercutting the uniform consumer protections this bill provides to all Americans. But

allowing different State standards on key protections will hurt, not help, consumers. What happens when a consumer living in one State and vacationing in a second is trying to resolve an identity theft occurring in a third State? And what can happen with consumers and businesses who will not know what State law applies and will find themselves caught in conflicting State requirements that cannot be adequately complied with. If a thief steals a Californian's identity and tries to open an account in another State with an identity from somewhere else, the consumer will not get any extra protection without a national standard.

The FACT Act protects all consumers equally. We have taken the best reasonable consumer protections from all States and made them into a uniform standard that everyone in all States can understand and comply with. We have strong identity theft protections, greatly improved access by consumers to their credit information, vastly improved ability for consumers to correct their records, and greatly expanded privacy protections.

Members today have a choice. We can protect our national credit system, along with all of the jobs and economic growth it creates, in addition to giving consumers solutions to identity theft and access to improved credit records. We can fulfill our responsibility to the American people by bolstering the expiring national credit system with permanent extension.

□ 1445

Or, Congress can shirk its duty and water down protections that apply equally to all Americans. Can you imagine going back to a time when you could only get a credit card from a local bank; mortgages and car loans took weeks to approve, and high interest rates made credit unavailable and unaffordable for many Americans.

This legislation was overwhelmingly approved by our committee on a bipartisan 61-3 vote. We have received support from almost every relevant federal regulator. I stand with the recorded support of almost every other member of our committee, regardless of party affiliation, with pride and conviction to urge a vote for this important legislation.

Mr. Chairman, I would particularly like to thank the gentleman from Alabama (Mr. BACHUS) and the ranking member, the gentleman from Massachusetts (Mr. FRANK) for their tireless efforts in crafting this product. We stand in full support and ask for Members strong positive vote for this legislation.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank my colleague and chairman, the gentleman from Ohio (Mr. OXLEY), for his kind words. I do have to correct him. At this point,

the way I feel, it would be incorrect to say that my efforts were tireless, but I am pleased we brought this bill to the floor.

I urge Members to vote for this bill. There will be some amendments and I will be supporting some. I will be opposing others. I do not think they go to the heart of the bill. There is one particularly important amendment that will be offered by the ranking member of the Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises of the Committee on Financial Services, the gentleman from Pennsylvania (Mr. KANJORSKI).

We are here today because there were sunsets in the original bill in 1996. The fact that we had to come back to renew this has given us the opportunity to make some significant consumer improvements, and I agree with the gentleman from Ohio (Mr. OXLEY). I will vote for this bill because if it becomes law, consumers will have significant new protections in many areas.

They will not be all that I would have liked. For someone who serves in the minority, this bill, I think, shows both the opportunities but also the inherent limitations of being in the minority. That is a bill where we worked together. We worked together where the majority was predominant as democracy requires. I appreciate the chance we had to make some improvements that Members on our side wanted.

In many cases, the request for improvements, for instance, identity theft, where the gentlewoman from Oregon (Ms. HOOLEY) led our task force, they were mutually agreed on.

So I think we have a bill that is better than existing law and that, frankly, contains more new consumer protections than any legislation I have seen in a while. On the other hand, I should be very clear, this is not the bill that I believe we would have written if we were in the majority. There are some areas where we would have written it differently, but that is the nature of the process. And given where we were and the negotiations we were able to do, the votes that we were able to take, we have a product that I think does the best possible in these circumstances to do the two important things we have to do: One, as the gentleman from Ohio (Mr. OXLEY) has said, help the market to function.

The free market is a wonderful engine for the creation of wealth. And what we have done here today is to reenact some rules that allow it to go forward in the most efficient possible way. We have also shown, I think, that it is entirely consistent with a respect for and understanding of the free market, to protect consumers in various ways.

The market is an excellent instrument, but it is not a perfect one. It will make some mistakes. There will be errors. There will be abuse. I believe our job as legislators is to try to write legislation, create rules that allow the market to function while protecting

people in ways that do not unduly interfere with the market. And I think, as I said in this bill, we have moved significantly in that direction. So I would urge Members to be supportive.

I do note that after this bill, let me explain this to people, after this bill passed through committee, the State of California did adopt additional legislation in the area of privacy. Much of that legislation is unaffected by what we do today. One section out of that legislation would be affected by what we do today. Had California acted earlier, we might perhaps have been able to address that in our deliberations. Given the way things work, once a bill is out of committee, that becomes harder.

I know from friends from California are going to continue, on our side, to try to make efforts, whether it is here or later on in the Conference Committee, and these are decisions that we will try to make to try to improve that. I regret this, but given the timing, that was something we could not control.

With all of that, the basic point to me is that we have a bill today that continues the preemptions, which I believe help the market function at its most efficient in granting credit and adds to, in most cases, the consumer protections, including some areas like identity theft and medical privacy which had not, in 1996, been on everybody's agenda. So I hope that we will go through the amendment process. I hope a couple of amendments will win, but in any case, I will urge Members to vote for this bill as the best accommodation that we were able to achieve in this circumstance of the duty to make it possible for the free market to function, while at the same time, providing those protections for consumers which would not automatically come from the market.

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

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois (Mrs. BIGGERT).

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

Mr. Chairman, I rise in strong support of H.R. 2622. I want to thank the gentleman from Ohio (Mr. OXLEY) and the subcommittee chairman, the gentleman from Alabama (Mr. BACHUS), the ranking member, the gentleman from Massachusetts (Mr. FRANK), the gentleman from Oregon (Ms. HOOLEY), the gentleman from Kansas (Mr. MOORE) and all the co-sponsors for their hard work on this extremely important piece of legislation.

Mr. Chairman, to its sponsors and co-sponsors, every bill is an important bill, but there are a few bills that we will take up this session or this Congress that are as critically important to our economy as reauthorizing and making permanent the expiring protections contained in the Fair Credit Reporting Act, or FCRA.

The FCRA may not be a household word, but it nonetheless touches virtually every aspect of our lives and our economy. Without this reauthorization, there could be no national credit system. Without a national credit system, there will be less credit, slower credit, inaccurate credit, inefficient credit, and in many cases, no credit at all. Less, slower, accurate, inefficient and no credit will lead inevitably to less spending, slower growth, lower incomes and fewer jobs. That would be noticed by the American consumer and would be a disaster for the American economy. And this is why H.R. 2622 is a must-pass bill for us this session.

I want to add that H.R. 2622 is much more important than a routine reauthorization of a critically important program. Thanks to the hard work of many of my colleagues on both sides of this aisle, it is a much improved version of its predecessor because it addresses the new challenges and problems created by new technologies. Chief among those are the provisions addressing identity theft which barely existed 5 years ago when we last reauthorized expiring conditions of FCRA.

In 2002, 14,777 complaints were registered with the Federal Trade Commission from victims of identify theft from my home State of Illinois alone. These consumers reported losses of almost \$6.8 million to identity theft. H.R. 2622 is a good bill that provides important new protections for consumers and stops identity theft before it happens. Mr. Chairman, I urge my colleagues to support this bill.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2½ minutes to the gentlewoman from New York (Mrs. MALONEY).

(Mrs. MALONEY asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY. Mr. Chairman, I thank the gentleman for yielding me time. I thank him and the gentleman from Ohio (Mr. OXLEY) for their leadership on this important bill of which I am proud to be an original co-sponsor.

This is a strong bipartisan product that will benefit consumers as well as the entire U.S. economy. It will help the market to function more efficiently, and as an example of this bipartisanship, I am very pleased that it was the wisdom of the Committee on Financial Services to include my amendment in Section 509.

This amendment requires clear and conspicuous disclosure of credit card companies' ability to raise a customer's interest rate even though the customer makes all of their payment on time. This bill makes groundbreaking advances in fighting ID theft and in providing new rights to make sure the information on credit reports is accurate, allows free credit reports, access to credit scores, and protections for medical record. These advances are so significant that the gentleman from Pennsylvania (Mr. KANJORSKI) and I have extended the

sunset amendment we will offer later in this debate from 7 years, which we first proposed, to 9 years. I believe this amendment is critically important.

All the consumer protections in this bill are the result of the current sunset which forced Congress to reexamine the FCRA before the end of the year.

I urge my colleagues to support this legislation because it is incredibly important to the economy. For my district in New York, passage of this legislation means tourists who come to shop in our famous retail sector will be able to receive instant credit, no matter how many State lines they cross on their way to New York City.

Nationally this legislation is critical to home mortgage financing and refinancing that have kept the housing market booming during the recent economic downturn.

I urge a "yes" vote on this bipartisan legislation. It is important for consumers and for the U.S. economy.

I am pleased to rise in support of H.R. 2622 the Fair and Accurate Credit Transactions Act (FACT Act).

This is a strong bipartisan product that will benefit consumers as well as the entire U.S. economy.

From the beginning of the consideration of the FCRA reauthorization this year Chairmen OXLEY and BACHUS and Ranking Members FRANK and SANDERS have conducted a thorough, open process that has created a consensus bill that I hope will be overwhelmingly approved.

As an example of this bipartisanship, I am especially pleased that it was the wisdom of the Financial Services Committee to include my amendment in Section 509.

This amendment requires clear and conspicuous disclosure of credit card companies' ability to raise a customer's interest rate even though the customer makes all their payments on time.

This devious practice is known as "bait and switch" where a consumer's low interest rate is increased to 20 percent or higher simply because they may have taken out a new mortgage or some other liability.

A recent New York Times article documented just such a case where an Illinois doctor had his rate go from 6.2 percent to 16.99 percent when he took out a mortgage.

This legislation makes ground breaking advances in fighting I.D. theft, which is now more often practiced by organized crime, and in providing new rights to make sure the information on credit reports is accurate, allows free credit reports and access to credit scores.

These advances are so significant that Congressman KANJORSKI and I have extended the sunset amendment we will offer later in the debate from the seven years we first proposed to nine years.

I believe this sunset amendment is critically important.

All the consumer protections in this bill are the result of the current sunset which forced Congress to re-examine the FCRA before the end of this year.

I urge my colleagues to support this legislation because it is incredibly important to the economy.

For my district in New York, passage of this legislation means tourists who come to shop

in our famous retail sector will be able to receive instant credit no matter how many state lines they cross on their way to New York City.

Nationally, this legislation is critical to home mortgage financing and re-financings that have kept the housing market booming during the recent economic downturn.

I urge a yes vote for this important legislation.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma (Mr. LUCAS).

Mr. LUCAS of Oklahoma. Mr. Chairman, I rise today in support of H.R. 2622, the Fair and Accurate Credit Transactions Act. I am a cosponsor of this important piece of legislation because I feel that reauthorizing uniform national standards included in the Fair Credit Reporting Act will ensure America continues to have the best credit system in the world.

Mr. Chairman, I came to Congress in 1994 and joined the Committee on Banking, now the Committee on Financial Services, because I knew that one of the common needs of my congressional district was capital. We were capital starved and I wanted to be a part of the committee that would have influence over the cost of and the availability of credit. And that is why I fully support this bill. It protects my constituents' access to fast and affordable credit, which is vital in today's economic times.

I also support this bill because it includes measures to protect the explosion of the identity theft in this country. Last week the FTC reported 9.9 million Americans were victims of identity theft in the last year, and that is a frightening statistic to all of us.

H.R. 2622 imposes meaningful new obligations on financial institutions to prevent identity theft and to ensure the accuracy of credit information. The uniform national credit reporting standards have lowered costs and increased choices and conveniences for all of our constituents. I urge my colleagues to support this important reauthorization.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 4 minutes to the gentlewoman from Oregon (Ms. HOOLEY) who served as the Chair of our task force on identity theft and who is responsible for much of the good material in this bill.

Ms. HOOLEY of Oregon. Mr. Chairman, in August of 2001, a constituent of mine had her purse stolen, an unfortunate incident that caused her some initial annoyance, but one she quickly forgot after doing all the responsible things like filing a police report, cancelling her credit cards, notifying the major credit bureaus of the theft. She took those responsible steps and put it behind her.

She took those steps and put it behind her. Two years later when she was called about a new computer being delivered to her home, a computer she never ordered, she decided to investigate what was going on, and what she

found out was that there were seven credit cards being used in her name and two cell phones, cell phones and cards that she had never requested or never seen.

Since that time, this woman has spent many hours on the phone with e-mails and research trying to clean up her credit files and protect herself from future theft. She said to me she feels like a ball in a pinball machine, being constantly bounced around from agency to agency, from credit bureau to credit bureau.

At one point a Portland police officer actually suggested to her that it might be easier to her if she would actually change her legal identity and her name. That would be easier than trying to prevent future theft and trying to clean up the damage it caused.

□ 1500

I want to tell my colleagues something is wrong with a system when a law enforcement official suggests that a victim change her identity to prevent it from being stolen. Unfortunately, this experience I have described has become all too common. Identity theft is a national epidemic, the fastest-growing white collar crime in America.

Thankfully, the legislation before us today has serious and effective provisions to prevent identity theft from ever happening in the first place and, if it should, to make it easier to clean it up. Much of the bill before us today is a result of years of effort by the gentleman from Ohio (Mr. LATOURETTE) and myself. I am proud to have this legislation before the House today.

The FACT Act is a bipartisan bill that contains landmark consumer legislation. There are a lot of people that I have to thank, all of the cosponsors, certainly the gentleman from Ohio (Mr. OXLEY), the chair; the gentleman from Alabama (Mr. BACHUS), the subcommittee chair; the gentleman from Massachusetts (Mr. FRANK), ranking member; and all of the others that worked so hard on this. But I would also like to thank the staffs of both the minority and majority staff who worked incredibly hard on this. I also want to thank John Prible from my staff who worked hard on this, Travis Brower from my office and former staffers Josh Raymond and Tom Moore.

Just a few important provisions to protect against identity theft include free annual credit reports to empower consumers, national fraud alerts to protect against the issuance of fraudulent credit, a red flag system to provide our financial institutions with the latest guidance on new identity theft fads. It provides a summary of rights for victims of identity theft. It allows consumers to block all information resulting from identity theft. Consumers can obtain their credit scores and indicators to educate consumers, protection for consumers for their sensitive medical information. These are just a few of the many consumer protections provided in this legislation.

I believe that the provisions in this legislation will go a long ways towards helping our consumers fight identity theft. This legislation is long overdue, and I urge all of my colleagues to support this bill and help protect American consumers against the threat of identity theft. Please support this legislation to help our consumers and protect against identity theft.

The CHAIRMAN. The Committee will rise informally.

The SPEAKER pro tempore (Mr. ISAKSON) assumed the Chair.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

The Committee resumed its sitting.

Mr. OXLEY. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from the First State of Delaware (Mr. CASTLE), a valuable member of the Committee on Financial Services.

Mr. CASTLE. Mr. Chairman, I thank the distinguished chairman of the committee and both the ranking member from Massachusetts for this good piece of legislation. Obviously I support the bill before us.

This bipartisan legislation passed the House Committee on Financial Services by a vote of 61 to 3 in July of this year. We do not have a lot of votes with those kinds of numbers in it, an overwhelming endorsement which should obviously be noted by all of us.

The legislation is a good, bipartisan bill. It is a result of six hearings, nearly 100 witnesses and months of deliberations. Through this very thorough process, the Committee on Financial Services has produced a bill that will protect the financial privacy and access to credit for all consumers, and it will help our economic recovery by ensuring businesses have access to accurate information which provides prompt credit to American consumers.

As my colleagues know, one of the forces that has helped sustain our economy in recent years is consumer spending. A critical factor in enabling American consumers to purchase products when they need them and want them is our strong system of consumer credit. That system is supported by the Fair Credit Reporting Act which ensures the factual information is available on which to base the extension of credit. Virtually every business in this Nation and every consumer that has ever used credit depends on this system.

One of my constituents, Michael Uffner, president, chairman and CEO of AutoTeam Delaware, testified before the committee this year. Mike Uffner

stressed the importance of access to accurate credit information to serve customers in a timely and fair manner. Americans want to be able to walk into an automobile showroom and purchase an automobile that day based on a prompt approval of a loan based on their credit.

In December, the national uniform consumer protection standards in the Fair Credit Reporting Act will expire. Without this legislation, there would be no national standards for consumer protections and credit availability. This will negatively affect consumer access to credit and the economy as a whole. A failure to pass this legislation would mean higher costs to consumers, who will be paying more for their credit without this legislation. In today's economy, in which we rely on instant credit available to us across the country, we need to have this legislation. This is uniformity, not a state-by-state issue; and as Congress we must protect the consumers.

Mr. Chairman, again, I want to express my strong support for this bill and urge my colleagues on both sides of the aisle to join the 63 bipartisan members of the House Committee on Financial Services who worked together to craft the bill to protect consumers and give confidence to businesses. This is a proper step to ensure that all of our constituents have access to fair and reasonable credit information.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania (Mr. KANJORSKI), the second-ranking member of the committee, the ranking member of our Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, and one of the leaders in shaping this legislation.

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

Mr. KANJORSKI. Mr. Chairman, I rise in strong support of H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003.

If we fail to extend the expiring provisions of the Fair Credit Reporting Act before the end of this year, conflicting State laws could place financial institutions in a difficult compliance position, and the current efficiencies in obtaining credit could significantly decrease. We would, moreover, create more difficulties for our already-struggling economy. For example, according to a recent report commissioned by the Financial Services Roundtable, the loss of national uniform credit reporting standards would produce a 2 percent drop in the gross domestic product of this Nation.

The Fair Credit Reporting Act in its 1996 amendments, in my view, have created a nationwide consumer credit system that works increasingly well. This law has expanded access to credit, lowered the price of credit, and accelerated decisions to grant credit. One reason that the law works so well is the establishment of the uniform system

that preempts States from enacting miscellaneous and potentially conflicting requirements regarding credit reporting.

As my colleagues may recall, Mr. Chairman, I strongly supported creating these preemptions in the 102nd, 103rd and 104th Congresses. I also believe that we should extend them now. I do not, however, think that they should be made permanent. Consequently, I will offer an amendment later today to address this issue.

In addition to extending the expiring preemptions of State law, H.R. 2622 will make a number of important improvements in current law with respect to consumer protection. These provisions, among other things, will improve the accuracy of and correction process for credit reports and establish strong privacy protections for consumers' sensitive medical information.

Furthermore, identity theft is a growing problem in our country. A recent report by the Federal Trade Commission found that 27.3 million Americans have been victims of identity theft in the last 5 years. I am, therefore, particularly pleased that H.R. 2622 includes several provisions designed to combat these crimes and aid consumers.

Mr. Chairman, I think this legislation is a high mark for this Congress, and I want to compliment the gentleman from Ohio (Mr. OXLEY), chairman of the committee; the gentleman from Massachusetts (Mr. FRANK), the ranking member of the committee; the gentleman from Alabama (Mr. BACHUS), the chairman of the Subcommittee of the Financial Institutions and Consumer Credit; and the gentleman from Vermont (Mr. SANDERS), our ranking member on that subcommittee.

This legislation is a perfect example that good, spirited, bipartisan activity can accomplish much for this Congress and for this Nation. We have worked to try and work out all the efforts of so many individuals who would like favoritism or special interest reports and, in fact, have worked for the common good of both industry and the consumer; and I think, Mr. Chairman, we have accomplished that.

So I congratulate my several Members that I mentioned and the full committee and this Congress. This is an extraordinarily successful piece of legislation that we should be proud of on a bipartisan basis.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. ISAKSON).

Mr. ISAKSON. Mr. Chairman, I thank the chairman for yielding me the time, and I want to commend the gentleman from Ohio (Mr. OXLEY), the chairman, and the gentleman from Massachusetts (Mr. FRANK), the ranking member, for the outstanding work they have done on a bill that is critical to American business and enterprise and American consumers.

I want to particularly thank the chairman for incorporating within the

manager's amendment a provision that directs the FTC and the Treasury to promulgate rules and regulations for an orderly implementation and transition to the free credit reports called for in section 501.

Mr. Chairman, the Fair Credit Reporting Act is critical to business in America. Identity theft and the protection of consumers from identity theft is critical, but time is also critical.

By allowing the provision of free credit reports without an orderly transition for their seeking and a safe way for them to be sought could spike demand on the crediting reporting agencies and delay the reports of credit on those consumers seeking credit. For example, 2 weeks ago when home loans spiked in one day by a half a percent, a delay in the receipt of a credit report by a prospective home buyer seeking a mortgage could have cost them 10, 20, \$50,000 over the life of the loan.

I encourage the chairman to continue work with the Members and then later as this is implemented with the FTC to ensure that we have a safe way for the free credit report to be sought specifically either by the Internet or in writing, and secondly, for us to manage the flow so that the spikes in those requests do not damage the timeliness with which paying customers seeking credit in this country can receive an orderly report on their credit.

The committee is doing America's consumers and the consistency of credit reporting in this country a great service by the bill. I commend the chairman for the manager's amendment, and I intend to support the bill fully.

Mr. KANJORSKI. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman very much for yielding me the time, and I rise to add my appreciation to the chairman of this committee and the ranking member. The chairman and the ranking member have truly evidenced the importance of the Committee on Financial Services and its bipartisan effort. These are issues I believe that really cross partisan lines and, more particularly, impact the humanity of those who may be facing some of the disasters that may come through the lack of fair credit reporting and as well the whole issue of identity theft.

I thank both the ranking member and the chairman of the subcommittees that were relevant to this particular legislation; and I rise to support it and to highlight a particular aspect of the legislation that I am very proud of, and I want to congratulate the committee for its astuteness and wisdom on this very important issue.

Title VI, protecting employees' misconduct and investigation, tracks the legislation that I cosponsored along with the gentleman from Texas (Mr. SESSIONS), the gentleman from Massachusetts (Mr. FRANK), and other Mem-

bers of this body that frankly deals with a question that is minute maybe but is large in terms of the needs that it covers.

The legislation was called the Civil Rights and Employee Investigation Clarification Act, and I am very delighted that title VI in this legislation really responds to the concerns that are raised, and that is, that the Fair Credit Reporting Act, as interpreted by the Federal Trade Commission, sometimes impedes investigations of workplace misconduct.

Mr. Chairman, in particular, it deals with or undermines or did undermine the ability of employers to use experienced, outside organizations or individuals to investigate allegations of drug use or sales, violence, sexual harassment, other types of harassment, employment discrimination, job safety and health violations, as well as criminal activity, including theft, fraud, embezzlement, sabotage or arson, patient or elder abuse, child abuse and other types of misconduct related to employment. This was not the intention of the Fair Credit Reporting Act, but by its interpretation this is what occurred.

Employers have been advised by agencies and courts to utilize such experienced outside organizations and individuals in many cases to assure compliance with civil rights laws and other laws, as well as written workplace policies. That was crafted in order to give privacy to the employees and to the relationships that would help cure the problem so that there was a bridge or a firewall between the employers and the employees that might be caught up in the malfeasance or might be caught up in providing some insight in how do we correct these problems.

Employees and consumers are put at risk because the Fair Credit Reporting Act frustrates or impedes employers in their efforts to maintain a safe and productive workforce and to create that firewall in order to protect those who would tell and those who would help remedy versus those who were creating the problem.

This is an important piece of legislation, and title VI is particularly important in creating that firewall to ensure that not only do we have fair credit reporting, not only do we provide a protection for those suffering from identity theft, but we also provide the opportunity for truth and clarity in making sure that we have safe workforces and using the right kind of talent to do so.

Mr. Chairman, I rise in support of the Fair and Accurate Credit Transactions Act of 2003 ("FACT Act"), only insofar as its adoption includes the full and unamended text of Title VI: "Protecting Employee Misconduct Investigations."

OVERBROAD PROVISION

On April 5, 1999, the Federal Trade Commission (FTC) issued an opinion letter (the Vail letter), which stated that if an employer used experienced outside organizations to investigate employee misconduct, the investigation must comply with the notice and disclo-

sure requirements of the Fair Credit Reporting Act (FCRA). Because it is virtually impossible to conduct an investigation while complying with these requirements, and because employers and investigators face unlimited liability, including punitive damages, for failing to comply with FCRA, the Vail letter effectively deters employers from using experienced and objective outside organizations to investigate workplace misconduct. Yet, in many cases, an employer must do so in order to comply with obligations under other laws. Thus, the Vail letter often places employers in the untenable position of having to choose between two legal obligations.

FCRA REQUIREMENTS

The pertinent FCRA requirements include:

- (1) Notice to the consumer (in this case, the employee) of the investigation;
- (2) The employee's consent prior to the investigation;
- (3) A description of the nature and scope of the proposed investigation, if the employee requests it;
- (4) A release of a full, un-redacted investigative report to the employee; and
- (5) Notice to the employee of his or her rights under FCRA prior to taking any adverse employment action.

Any mistake in compliance with these or any of the FCRA's other numerous technical requirements may expose employers and investigators to unlimited liability for compensatory and punitive damages.

However, Title VI of H.R. 2622, remedies this problem without tampering with FCRA's consumer credit protections. Title VI of H.R. 2622 is an incorporation of a bill that I cosponsored, along with Representatives SESSIONS, BAKER, PAUL, MOORE, SHAYS, FRANK, and ROYCE, H.R. 1543, to amend the FCRA to exempt certain communications from the definition of "consumer report," and for other purposes.

The Vail letter places many businesses in an extremely difficult position. While an employer may avoid running afoul of Vail by performing the investigation itself, there are many instances where a company has no choice but to use an outside investigator. For example, the technical nature of the alleged misconduct may require an expert investigator, such as where the misconduct involves securities fraud. In other instances, such as corporate governance cases, the investigation may involve misconduct by a high-level official and outside objectivity is necessary. In other cases, the employer may simply lack the resources to conduct an in-house investigation. Even where outside investigators are not necessary, they may be preferred. Indeed, both the courts and administrative agencies have strongly encouraged employers to use experienced outside organizations to investigate suspected workplace violence, employment discrimination and harassment, securities violations, theft or other workplace misconduct. As Assistant Attorney General James K. Robinson said in his May 4, 2000 Congressional Testimony, "[t]he Department [of Justice] and other agencies often strongly encourage companies, as part of their compliance programs to retain outsider counsel to conduct certain internal investigations, on the theory that an outsider is less subject to retaliation or intimidation by supervisors or co-workers and is less likely to be biased by concerns for the company's business with existing or future customers."

While the letter impacts all businesses, it is particularly damaging to small and medium sized companies that do not have the in-house resources to conduct their own investigations. Even the FTC has recognized that "there is considerable tension between [the FCRA requirements] and certain public policy aims of statutes and regulations that, directly or indirectly compel or encourage investigations of various forms of workplace misconduct . . . [and the situation is] particularly troubling for small employers."

Although the FTC recognizes the problem it, nonetheless, has refused to reverse its position and rescind the letter, claiming that a legislative fix is necessary. Title VI of H.R. 2622 is that legislative fix. It remedies the problems created by FTC's letter by excluding employment investigations that are not for the purpose of investigating the employee's credit worthiness from the FCRA requirements. The bill is essentially a narrow technical correction that does not tamper with FCRA protections for any investigations into credit-worthiness. In addition, the bill does not leave those suspected of misconduct without protection: it still requires that employers who take adverse action against an employee based on information from an investigation provide the employee with a summary of the nature and substance of any investigative report.

BENEFITS OF H.R. 2622

This bill, along with an intact Title VI exclusion of workplace investigations, will preserve the continuity of our credit system and will include comprehensive identity theft, dispute resolution, and credit report accuracy provisions. Additionally, this legislation proposes to take the important step of providing all Americans with access to a free credit report every year in order to empower consumers to take control of their financial records.

This legislation will prove crucial to the protection of consumers from the dangers of identity theft, the fastest growing white-collar crime in America. The following important steps toward protecting our consumers from identity theft are proposed within relevant provisions:

- Creating a duty for furnishers to investigate change of addresses, which can be indicators of identity theft;

- Creating a multi-level fraud alert system for victims of identity theft to protect their credit information;

- Requiring all credit and debit card receipts to be truncated to protect these valuable identifiers;

- Providing a summary of rights for all potential victims of identity theft;

- Allowing consumers to block all credit information resulting from identity theft;

- Establishing "Red Flag" procedures so that government regulators may help furnishers to eradicate identity theft before it occurs (preventative); and

- Requiring a study on how technology can help solve identity theft.

In addition, this legislation will take steps to improve dispute resolution procedures and improve the accuracy of credit reports. The legislation proposes to take the following steps towards these goals:

- Require a reasonable reinvestigation of disputes and requires a prompt reinvestigation;

- Require CRA's and furnishers to reconcile differences in addresses on requests;

- Prevent repollution of data that is a result of identity theft; and

Require credit reports to disclose contact information of furnishers to resolve disputes.

This legislation will also provide consumers with more access than ever before to their credit information in order to empower these consumers with the information to protect themselves. The legislation proposes to create this access by:

- Providing free credit reports annually to all consumers; and

- Disclosing credit scores for a reasonable fee, as well as important factors that make the score.

Finally, this legislation also contains important provisions to protect medical information that is present in financial services' systems and provide for confidentiality of medical data in all credit reports.

Taken together, the above "facts" as to the FACT Act will protect the privacy rights of Americans; however, in crafting this bill, the Committee on Financial Services failed to put a limitation on the scope of the notice and disclosure requirements with respect to investigations into workplace misconduct. In 1999 and 2000, the Federal Trade Commission (FTC) issued several staff opinion letters which concluded that if an employer hires an experienced and objective outside organization to investigate suspected workplace misconduct, i.e., sexual or racial harassment, workplace violence, theft, fraud, SEC violations, or other improprieties, the investigation would qualify as a "consumer report" subject to the Fair Credit Reporting Act (FCRA). As such, employers and the investigators hired by them to handle alleged harassment cases would be subject to the cumbersome and over-reaching notice and disclosure requirements of FCRA.

Mr. Chairman and Ranking Member, I therefore support this bill only insofar as it is accepted with the inclusion of Title VI in its entirety and as drafted.

□ 1515

Mr. OXLEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Mrs. KELLY), the chairwoman of the Subcommittee on Oversight and Investigations of the Committee on Financial Services.

Mrs. KELLY. Mr. Chairman, I thank the gentleman for yielding me this time, and I want to applaud both the chairman and the ranking member of the Committee on Financial Services for acting on this important legislation with the kind of thoroughness and deliberation that they did take.

The legislation before us, the FACT Act, is the result of half a dozen hearings, 75 witnesses, and months of deliberation by my colleagues from both sides of the aisle. The construction of the legislation is the permanent reauthorization of the Fair Credit Reporting Act, or the FCRA. It has provided a national uniform reporting system that has effectively lowered the cost of credit and increased choices and convenience for consumers across the country.

In our hearings, we heard extensive testimony from many diverse witnesses with different interests. But there was a common message that the FCRA has lowered the cost of credit and helped fuel our economy. And this extension

of low-cost credit has created new opportunities for populations who have never before had access to credit. That is why this legislation has overwhelming bipartisan support.

The Fair Credit Reporting Act has also helped address other important security provisions, such as combating identity theft and the blocking of terrorist financing under the USA PATRIOT Act, both issues which I have held a number of hearings on in my oversight subcommittee. Combating identity theft and drying up terrorist financing requires the collaborative effort of law enforcement and regulatory agencies, consumers and financial institutions, all with access to appropriate information.

FCRA improves our ability to combat identity theft and help law enforcement officials track down illicit money under the PATRIOT Act. The information sharing under this legislation is essential to protecting the American people by detecting suspicious activity and weeding out wrongdoers.

The national reform standards under FCRA have also facilitated the financial institution's ability to utilize additional authentications and identity verifications to protect consumer security. And the increased protections incorporated in this legislation are critically important in enabling victims to correct the damage to their credit histories created by identity thefts. This legislation will further help law enforcement combat financial fraud and track down criminals and terrorists. It adds new protections that are important to achieving these goals.

We have also made other important improvements to the FCRA in order to protect the sanctity of privacy of the American people throughout the credit-granting process. I believe that medical information of consumers should be kept private and does not need to be shared or distributed to others by creditors listed on credit reports. Individuals should know their personal medical information belongs to them and is not released for other purposes, whether it is for the credit-granting process or employee background checks. And we have done this with our legislation by coding this information.

Mr. Chairman, I would like to thank the gentleman from North Carolina (Mr. WATT) and the gentleman from Arkansas (Mr. ROSS) for working with me on an amendment in full committee that will protect the medical information of individuals without disrupting access to low-cost credit and the security of information. By allowing consumers to benefit from reporting the financial aspects of their transactions to credit bureaus while maintaining the sanctity of their medical privacy, this legislation is a real win for Americans.

Mr. Chairman, I strongly support this legislation. It is crucial to the economy and the security of the American people. I thank the chairman for addressing these important issues, and I urge my colleagues to vote for this legislation.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. HINOJOSA), another diligent member of the committee who made a great contribution to this bill.

Mr. HINOJOSA. Mr. Chairman, I am an original cosponsor of the Fair and Accurate Credit Transactions Act, and I support it strongly. H.R. 2622, known as the FACT Act, provides for a strong national credit system. It preserves consumers access to affordable credit, enhances consumer protections, and will ensure that Hispanics will continue to have access to credit.

From the beginning of this process, my new Democrat colleagues and I have been deeply involved in crafting this bipartisan bill, which passed the Committee on Financial Services by a 61 to 3 vote. The bill preserves the continuity of our credit system and includes comprehensive identity theft, dispute resolution, and credit report accuracy provisions that will increase and strengthen people's control over their own financial records.

Identity theft is one of the fastest growing white collar crimes in the United States, especially in my State of Texas. This legislation, H.R. 2622, will help reduce those crimes and help the victims of identity theft regain their identity and restore their credit. The FACT Act addresses all these important issues and more. It will benefit consumers in our economy, and it will help improve financial literacy in the United States.

I commend my Republican colleagues, especially the chairman, the gentleman from Ohio (Mr. OXLEY), and the subcommittee chairman, the gentleman from Alabama (Mr. BACHUS), for working with us in a bipartisan manner to develop this legislation. I also applaud the ranking member, the gentleman from Massachusetts (Mr. FRANK), and another ranking member, the gentleman from Vermont (Mr. SANDERS), for guiding us through this process.

Finally, Mr. Chairman, I want to give special thanks to the gentlewoman from Oregon (Ms. HOOLEY), the gentleman from Kansas (Mr. MOORE), and the other 10 new Democrats who worked so diligently to compromise and help us forge this bipartisan compromise. I strongly encourage my colleagues to support this important legislation, H.R. 2622.

Mr. OXLEY. Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from Alabama (Mr. BACHUS), the author of this important legislation and the chairman of the Subcommittee on Financial Institutions and Consumer Credit.

Mr. BACHUS. Mr. Chairman, I thank the chairman of the committee, the gentleman from Ohio (Mr. OXLEY), for yielding me this time and who was certainly instrumental in making this a priority and in allowing the committee to take as much time as it did to consider this issue, because it was an important issue.

We have received a statement from the Executive Office of the President, which arrived here today, concerning this legislation; and I want to read from it. It says the administration strongly supports House passage of H.R. 2622. The bill includes many of the administration's proposed consumer protections, including new tools to help fight identity theft. The national credit reporting system has proven critical to the resilience of consumer spending and the overall economy.

That is one thing we heard over and over, that the national credit reporting system was essential to maintain the overall economy and consumer spending. So I am pleased that Chairman OXLEY has received this important endorsement from the President.

It has been said that I was the author of this legislation, and, in fact, I would sort of like to claim that, but it is truly a bipartisan bill. We had a blueprint to start with, however, on our ID theft provision, and I would like to recognize at this time and thank the gentleman from Ohio (Mr. LATOURETTE) for all his work on identifying the theft provision that needed to be in this legislation.

Actually, he introduced, with the gentlewoman from Oregon (Ms. HOOLEY), the original number of provisions which were taken and put in this bill verbatim. So we did not have to start from scratch. It was a big help that we had a bipartisan bill that the gentleman from Ohio and the gentlewoman from Oregon had worked on. What he brought to the table from the start was a piece of legislation that has since evolved over time, been updated, and I think improved with the help of consumers and the industries and the administration and Members of this Congress to serve as a valuable protection against identity theft, and I commend him on that.

I want to run over some of those protections if time permits. Here are some of the important consumer protection tools. It allows consumers to place fraud alerts in their credit reports to prevent identity thieves from opening accounts in their names, including a special provision to protect active duty military personnel, who we found, sadly, had been particularly susceptible to ID theft. It allows consumers to block fraudulent information from being given to a credit bureau and from being reported by a credit bureau if that information results from identity theft. It provides ID theft victims with a summary of their rights. It gives consumers the right to see not only their credit reports but their credit scores.

Now, that is an important new right which will help people. And I think there was unanimous agreement on this from industry, from consumers, and Members of Congress. This will actually help people save money with lower interest rates. One estimate I have read is \$21 billion in savings in home mortgages alone.

It restricts access to consumer-sensitive health information. That is

something people said: we do not want our health information to be shared without our permission. It empowers consumers by making it easier to limit unsolicited marketing offers. And it ensures improved accuracy of credit report procedures. It is very important that the information that is shared between creditors and credit bureaus is accurate. It provides consumers with a one-call-for-all protection by requiring credit bureaus to share consumer calls on ID theft, including reporting fraud alerts with other credit bureaus. One call does it all. Important suggestion.

With that, Mr. Chairman, I would also like to commend Wayne Abernathy, Assistant Secretary of the Treasury, and Secretary of Treasury Snow. And once again, I wish to commend the chairman, the gentleman from Ohio (Mr. LATOURETTE), the gentleman from Massachusetts (Mr. FRANK), and all of the 58 cosponsors of this original legislation.

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

Mr. OXLEY. Mr. Chairman, I am pleased to yield 2 minutes to my good friend, the gentleman from the great Buckeye State of Ohio (Mr. LATOURETTE), a former prosecutor, and one of the real leaders in the identity theft provisions, along with the gentlewoman from Oregon (Ms. HOOLEY).

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

Mr. LATOURETTE. Mr. Chairman, I thank both the gentleman from Ohio (Mr. OXLEY) and the gentleman from Alabama (Mr. BACHUS) for their very kind words.

Mr. Chairman, when I travel back to Ohio, I have to admit that folks up there are not telling me how important it is that we reauthorize the Fair Credit Reporting Act. They are not telling me how this legislation helped them drive home the new minivan the same day they went to the dealership, or how the convenience of the national credit granting system allowed them to charge a trip with the kids to Disneyland on their MasterCard. What is ironic, Mr. Chairman, is that this lack of interest from the average American consumer demonstrates to me very clearly that the amendments the Congress passed in 1996 to create the national credit system that we all take for granted today is working exceptionally well and it is a perfect illustration of why we need to support this legislation.

The bill before us today not only makes that system of the national standard for our country, but it also, as has been mentioned, tackles the problem of identity theft. During the committee's extensive hearing process on this legislation, we heard from a number of experts on the issue. We also heard from a number of victims. One of them came from my hometown, a woman by the name of Maureen Mitchell. And it was the severity of Maureen's case that inspired me to

work with my friend, the gentlewoman from Oregon (Ms. HOOLEY), who has really been dogged in the pursuit of this part of the legislation for years, and my hat's off to the gentlewoman from Oregon.

It was the severity of that case, and, basically, she and her husband had their identities stolen, and they racked up \$100,000 in bills. In Chicago, the thieves went and got \$45,000 in loans in the span of 2 hours, and they were horrified to learn that they were the "proud owners" of two sport utility vehicles that they, of course, did not purchase.

Anytime the Congress debates the issue of preempting State law, we have to question whether or not the Federal Government knows better than the States on how to pass a law that affects our citizens. When the question relates to access to credit and identity theft, I strongly believe the answer is in this legislation. Creating a set of uniform national standards will benefit people across the economic spectrum and is the perfect vehicle to fight the crime of identity theft.

I would urge my colleagues on both sides of the aisle to think of all the times we take for granted the ability to gain fast access to credit in our day-to-day activities. As a parent, it was terrifying when my daughter got her first credit card in the mail. But when that envelope arrived and she proudly stuck that piece of plastic in her wallet, she began building a credit history that will one day allow her to buy a home or take that vacation to Disneyland.

□ 1530

Mr. Chairman, I would like to thank very much the gentleman from Ohio (Chairman OXLEY), the gentleman from Massachusetts (Mr. FRANK), and the gentleman from Alabama (Chairman BACHUS) for this nice piece of legislation.

Mr. Chairman, when I travel back home to Madison, Ohio, I'll admit it—the folks up there aren't telling me how important reauthorizing the Fair Credit Reporting Act is to them. They're not telling me how this legislation helped them drive a new minivan home the same day they went to the dealership, or how the convenience of our national credit granting system allowed them to charge a trip with the kids to Disneyland on their Matercard. What's ironic, Mr. Chairman, is that this lack of interest from average American consumers demonstrates to me very clearly that the amendments Congress passed in 1996 to create the national credit system that we all take for granted today is working exceptionally well, and is a perfect illustration of why we need to support this legislation.

The bill before us today not only makes that system the national standard for our country, but also tackles the issue of identity theft. During the Committee's extensive hearing process on this legislation, we heard from a number of experts on this issue, and we also heard the testimony of a number of victims, one of whom—Maureen Mitchell—is from my hometown. The severity of Maureen's case is what

inspired me in the 106th Congress to work with my friend Congresswoman DARLEEN HOOLEY to draft what have now become the critical ID theft provisions in the bill before us today. To give you some idea of the enormity and extent of the Mitchell family's identity theft saga, all told, Maureen and her husband Ray have been victimized to the tune of well over \$100,000. Their identities have been used to apply in a two-hour period for \$45,000 worth of personal loans at three different banks in Chicago. And they are the "owners" of two luxury Sport Utility Vehicles that they never purchased.

Any time Congress debates the issue of preempting State law, we have to question whether or not the Federal Government knows better than the States how to pass a law that affects our citizens. When the question relates to access to credit and identity theft, I strongly believe that the answer is in this legislation: creating a set of uniform national standards will benefit people across the economic spectrum, and is the perfect vehicle to fight the crime of identity theft.

That said, it would be wrong of us to tie consumers and industry down with very specific operating guidelines and regulations. It would be foolish to believe that there is one cure-all that will completely prevent cases of identity theft, but with the options and flexibility provided by this legislation, consumers, creditors, and law enforcement will be able to stay ahead of the identity thieves as they find new technologies and methods of carrying out this crime.

Again, I urge my colleagues on both sides of the aisle to consider all the times we take for granted the ability to get fast access to credit in our day-to-day activities. As a parent, yes, it was a terrifying thing when my oldest daughter got her first credit card. But what that envelope arrived in the mail and she proudly stuck that piece of plastic in her wallet, she began building a credit history that will one day allow her to buy a home and take that vacation to Disneyland with her family. With the Fair Credit Reporting Act set to expire at the end of the year, this Congress is in a unique position to have a tremendous impact on every American consumer. If we do not act today and support this legislation, we will be denying future generations of Americans the same financial luxuries we have all enjoyed for the last eight years.

Finally, I would like to thank Chairman OXLEY and Subcommittee Chairman BACHUS for their strong leadership on this legislation.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume to engage in a colloquy with the chairmen of the full committee and the subcommittee.

Mr. Chairman, as part of this colloquy, I would say to my friends the chairmen of the full committee and subcommittee that many Members are concerned about the scope of the preemption that was just referred to, particularly with regards to identity theft.

So I want to clarify with the author of the bill, the committee chairman, what we are intending and how we have underscored that intention in the manager's amendment which will be coming forward.

Does this bill or this amendment allow the preemption of any State law

on identity theft, such as limits on Social Security number use, criminal penalties for identity theft perpetrators, or other identity theft protections that are not specific subject matters addressed by this bill.

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

Mr. FRANK of Massachusetts. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, the answer is no. The Member from Massachusetts is correct. The identity theft protections in this bill amend section 605 of the Fair Credit Reporting Act. The uniform standard for section 605 is contained in section 624(b)(1)(e) which states that, "No requirement or prohibition may be imposed under the laws of any State with respect to any subject matter regulated under section 605."

The section goes on to describe section 605 saying that it relates to information contained in consumer reports, and now to identity theft prevention. That means that 605 is the section for identity theft protections, but the uniform standard requirement is still limited to the subject matters that our provisions actually address such as investigating address changes, fraud alerts, truncating credit card account numbers, blocking bad credit information, establishing red flag guidelines for identity theft prevention, and reconciling address changes.

State identity theft laws that address different issues such as limiting Social Security number use or criminal penalties on identity theft perpetrators are not preempted. We have agreed with the gentleman from Massachusetts (Mr. FRANK) to clarify this in the manager's amendment to underscore in the uniform standards provision that describes section 605 that it only relates to the specific identity theft prevention subjects covered and not to other identity theft issues outside of the subject matters covered in the uniform standard.

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

Mr. FRANK of Massachusetts. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, I would like to affirm the understanding between the gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK).

In this bill we built upon the amendments that the gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from Oregon (Ms. HOOLEY) had first offered along with the gentleman from New York (Mr. ACKERMAN) and also the gentleman from Massachusetts (Mr. FRANK) to flesh out existing uniform standards.

The bill of the gentleman from Ohio (Mr. LATOURETTE) and the gentlewoman from Oregon (Ms. HOOLEY) that we used as our base text expanded on the uniform standards for identity theft. But in that bill, as in ours, there is no intent to go beyond the specific subjects identified in the bill.

So, for example, we do create uniform standards for opening new credit accounts when there are allegations of potential identity theft under our fraud alert and blocking provisions. Because you need a consistent rule that consumers and businesses can rely on when there has been a fraud alert, when there has been an allegation of identity theft. We do not address other subject matters that are not covered such as limits on Social Security number use or criminal penalties for identifying theft perpetrators.

These are issues that we expect the States to continue to work out solutions to. Hopefully we can return to work on those ourselves with Members like the gentleman from Florida (Mr. SHAW) or the gentleman from Arizona (Mr. SHADEGG), the gentleman from California (Mr. OSE), the gentleman from Illinois (Mr. EMANUEL). And I think the gentlewoman from Oregon (Ms. HOOLEY) also wants to address some of those issues. Many of them will have to be addressed either in the Committee on Ways and Means or in the Committee on the Judiciary. And they have valid concerns, but it is just from a jurisdictional standpoint.

Mr. FRANK of Massachusetts. Reclaiming my time, I thank the gentleman from Alabama (Mr. BACHUS). Let me say I appreciate the affirmations from both gentlemen.

Mr. Chairman, let me say now, I want to transition from the colloquy where we were in agreement as to what it says to express my view that I think even with these agreements the bill is, with regard to some existing law in California and elsewhere, more preemptive than it needs to be.

I recognize the value of this colloquy in making clear what those limits are. The gentlewoman from California (Ms. WATERS) who has been very concerned about this and who, indeed, alerted me to it earlier, and I unfortunately did not pay as much attention as I should have at the time, she is concerned and I share her concerns, so she will be pursuing this further.

So I just want to say while I am pleased to have this colloquy and to have these understandings, my own personal view, which I realize is not shared by the gentleman from Ohio (Mr. OXLEY) and the gentleman from Alabama (Mr. BACHUS) is that even with these understandings, there is more preemptive language here than need be. I intend to work with the gentleman from California and other Californians in various ways to try and further reduce that preemption.

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

Mr. FRANK of Massachusetts. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, just to make a clarification, it has been said that this bill will preempt the new California legislation.

Mr. FRANK of Massachusetts. Mr. Chairman, let me take back my time. There were two different California

issues here. Of course, one would not expect California to settle for only one controversy. The gentleman from Alabama (Mr. BACHUS) is correctly alluding to the future issue of so-called SB1. But what the gentleman from California had identified to me before that had passed was preemption of existing California where it predates the recent enactment. And that is the concern that I was alluding to.

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

Mr. FRANK of Massachusetts. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, as we have said, we need a national standard just like we need a national interstate highway system or other national uniform standards. California saw fit, when they passed this law, to exempt local statutes.

Mr. FRANK. Mr. Chairman, I will have to take back my time. I have one more speaker. The gentleman is again talking about the language going forward in SB1. The gentlewoman from Los Angeles and I are now addressing a different set of laws, laws that had already been on the books prior to that, laws passed subsequent to 1996, some of which I think are unnecessarily preempted, although this colloquy has helped.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HART), a valuable member of our committee from the Keystone State.

Ms. HART. Mr. Speaker, I rise in support of the FACT Act, the Fair and Accurate Credit Transactions Act. Fortunately, today we appear to have bipartisan support of the Act, and it is for a clear reason, our credit system in the United States is the envy of the world. Our uniform national standards have helped to make the United States a world leader, and have continued to spur on our economy, even in times that have been difficult in the last year or so.

The bill makes these national standards that have been in effect permanent. This is important to ensure continuity in our credit system, and also to maintain continued access to the best credit markets in the world. This is especially important because two-thirds of our economy depends very heavily on consumer spending. Consumers will not spend without access to credit, and to get access to credit, consumers and lenders need consistent, uniform standards for credit reports. Broader access is the result. National and worldwide access is also the result.

According to the Federal Reserve Board, in fact, since the Fair Credit Reporting Act was enacted, the overall percentage of families with general purpose credit cards increased from 16 to 73 percent and the largest increase was among lower-income families.

Homeownership levels have also grown approximately 10 percent, again with low income and minority families receiving the largest gains.

According to some estimates, these improvements have saved consumers nearly \$100 billion annually. Many of my colleagues have mentioned the benefits also regarding fighting identity theft. This bill allows each consumer to get a copy of their credit report annually, and that will help to avoid a lot of the problems we have been having with ID theft and use of credit by those not authorized. It helps the consumer to identify charges that are not theirs, it helps to identify and clear them from the credit report keeping the consumers' credit clear.

Every year a consumer would have access to a free copy of that credit report, see their credit scores which help them understand whether they are going to be able to get access to a mortgage or new credit.

Finally, I ask my colleagues to support this Act because it will create continuity, it will continue the dynamic American system, and it will help us keep access to safe credit and flexibility for the American consumer.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 3 minutes to the gentleman from Vermont (Mr. SANDERS), the ranking member of the subcommittee who worked very hard to make the bill better, but still obviously has some concerns with it. But from the consumer standpoint, the gentleman worked as hard as anyone.

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

Unfortunately, I rise in opposition to this legislation. While this bill does include important consumer protection provisions, such as the provision that I and other members of the committee fought for, which would provide free annual credit reports to consumers who request them, and would also allow consumers to receive more information about their credit scores identical to a very good law in the State of California, there are major flaws in this legislation.

For a start, even in terms of that pro-consumer provision, we are not quite sure when that will go into effect, and I fear it will not go into effect as soon as it should.

Secondly, I think the major concern that I and consumer organizations all across this country have is that this legislation would permanently preempt the States from passing stronger consumer protection laws in order to aggressively punish identity thieves and to improve the accuracy of consumers' credit reports.

I may be the conservative on the committee, but it has long been my belief when we are dealing with an issue of protecting consumer rights, we cannot take away the ability of the States to pass stronger consumer protection laws. I find it very ironic from day one of this discussion that conservatives who have told us over and over again how much they dislike the big bad Federal Government stepping on States' rights, in fact have brought that provision into this legislation.

So if the State of Vermont or the State of California or the State of Ohio wants to go further in this area, well, my goodness, that big bad Federal Government, which we have heard so much about, is able to say sorry, you cannot do it. Attorneys general, governors, State legislators, you cannot do that, and I think that is wrong.

During the course of the debate on the committee, there was a very interesting discussion over an amendment that I and the gentleman from Alabama (Mr. BACHUS) brought forth which deals with the issue of what I call credit card switch and bait, and I will be bringing forth an amendment to win support of it. It is not included in this bill, and it should be.

Mr. Chairman, what is going on in this country is that people who pay off their credit card debts on time every single month nonetheless are seeing huge increases in the interest rates that they are paying. How does that happen? It happens because maybe 3 years ago they took out a loan which is still outstanding, or maybe they had an emergency medical bill and they had to borrow money, and arbitrarily the credit card company has determined they are a greater financial risk and their rates can double or triple. I think that is wrong.

This bill has some positive provisions, but we can do much better, and I would urge a "no" vote on it.

□ 1545

Mr. OXLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me this time. I rise in strong support of this carefully balanced legislation. I want to compliment the authors and the committee chairman for doing what I think is a superb bill that will in fact help consumers across America. Indeed, I think this is a key component in protecting our credit structure and enabling Americans to get the credit that they need. I am very pleased that the legislation does what it does.

Importantly, as the author of our Nation's first identity theft legislation, I am very pleased with the provisions in this bill that deal with identity theft. It makes some important strides in improving our fight against identity theft. For example, the bill requires that anytime a transaction is made and information is transmitted using a credit card number, that number has to be truncated so that someone who wants to steal your identity by grabbing ahold of your credit card number will not have the full number. While some companies currently do that, not all do. This will protect them very much.

There are a number of other key provisions dealing with the issue of identity theft, and that is a critical issue because, for example, it was just reported last week that in America last year, 10 million people became the vic-

tims of identity theft. Those individuals themselves, as individuals, suffered \$5 billion in damages. But on top of that, businesses in America sustained \$47 billion of losses as a result of identity theft. And so the ID theft provisions in this bill I think are very, very important. But it could go further.

The General Accounting Office testified in July of this year that Social Security numbers are often the identifier of choice among individuals seeking false identities; and perhaps to the shock and amazement of people in this room and across the country, just last month, an organization engaged in consumer advocacy, to prove that Social Security numbers are too available, purchased the Social Security number of Attorney General John Ashcroft and CIA Director George Tenet off the Internet for a mere \$26. The problem is that Social Security numbers are too available.

In 2002, the FBI testified that possession of someone else's Social Security number is key to laying the groundwork to take over that individual's identity and obtain a driver's license, loans, credit cards, and merchandise. It is also key to taking over an individual's existing account and wiring money from the account, charging expenses to an existing credit line, writing checks on the account or simply withdrawing money.

It is absolutely critical that this Congress this year enact legislation to prohibit the purchase and sale of Social Security numbers in a fashion that allows identity thieves to get ahold of those numbers. This legislation does not yet do that. Hopefully, either in an amendment yet offered this afternoon or in the conference committee, we can do that. There is bipartisan support for this idea. I know the gentleman from Illinois (Mr. EMANUEL) on the other side supports doing it as well as a number of others. I have been helped by many, including the gentleman from Massachusetts. We can deal with this problem, but we must do so in legislation that will pass this year. Anyone who blocks that legislation or seeks to keep it from happening and happening very, very quickly, I think, is doing a disservice to the victims of identity theft across this country.

It is important to note that the second greatest concern of Americans when it comes to privacy is that their identity might be stolen by an identity thief and that they might be victimized by that and undergo that pain. Again, I would reiterate that this is very important legislation. It goes a long way toward stopping identity theft. It can go a little further if we prohibit the purchase and sale of Social Security numbers.

I urge my colleagues to vote for the legislation.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. CROWLEY), one of those who had a major input into this bill.

Mr. CROWLEY. Mr. Chairman, first I want to take this opportunity to thank the gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK), as well as the gentleman from Alabama (Mr. BACHUS) and the gentleman from Vermont (Mr. SANDERS), for their work together in what I believe is truly a bipartisan effort and manner to craft, in my opinion, a well-balanced bill, understanding that there is a deadline looming in the not-too-distant future as pertains to many of these issues.

This bill ensures the continued flow of credit for American consumers by allowing for the permanent protection of credit availability. Our economy and our credit-granting industry should not have to continually look over its shoulder at potentially burdensome regulations, regulations that could hinder the availability of credit for millions of Americans. But this legislation is not just about protecting consumer credit options. It is about protecting consumers' identity and their health information. This bill strengthens the rules to protect consumers from identity theft.

The Committee on Financial Services, which I am a member of, heard from a woman who originally lived in my district, someone who I grew up just seven doors away from. Her name was Maureen Sullivan. Now it is Maureen Mitchell. She grew up in Woodside, Queens, New York, who was a victim herself, and her husband, of identity theft. It cost her not only money but it cost her an enormous amount of time, not to mention mental anguish. This quite frankly happens all too often in this country. This bill addresses many of these issues and works for increased protections for honest Americans and honest people. Most importantly, this bill ensures the strict prohibition of medical and health information from being used in the credit-granting or denial process. No longer can the information used in hospitals and in doctors' offices be used to decide one's creditworthiness.

I want to urge my colleagues to vote in favor of this legislation. Once again I want to thank the chairman and the ranking member for all their good and honest work on what I think is a worthy piece of legislation.

Mr. OXLEY. Mr. Chairman, I yield 1 minute to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, let me say this. The body just heard from the gentleman from Arizona. He actually introduced in the 104th Congress the very first legislation dealing with identity theft. It was the Identity Theft and Deterrence Act, which had criminal penalties in it. Before most Americans, even most Members of Congress, knew of this problem, he knew about it.

We do have a continuing concern about Social Security numbers. If we are going to truncate them, this is a great example of why we need a uniform standard. We cannot have one

State truncating them into six numbers, another State into five numbers where we could not interchange them. I would encourage the gentleman from Arizona to continue to work with the Committee on Ways and Means in dealing with this problem, because it is something that we need to address in identity theft. I applaud and commend him for his effort and encourage him to continue with it.

The CHAIRMAN. Without objection, the gentleman from North Carolina (Mr. WATT) will control the time of the gentleman from Massachusetts (Mr. FRANK).

There was no objection.

Mr. WATT. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas (Mr. MOORE), a valued member of the committee who was chairman of the Democratic task force on this bill.

Mr. MOORE. Mr. Chairman, I thank the gentleman from North Carolina for yielding me this time. I also want to thank the gentleman from Ohio (Mr. OXLEY), the gentleman from Massachusetts (Mr. FRANK), also the gentleman from Vermont (Mr. SANDERS), and the gentleman from Alabama (Mr. BACHUS) for the great work that they did on this bill. I rise in strong support of this bill which passed out of committee 61 to 3. That is almost unheard of in this body where there is so much contentiousness, it seems, way too often. I think people out in the country wonder what is going on here. I think this is a splendid example of our ability to work together for something to benefit the American people and for business in this country.

I ask my colleagues to vote in support of the bill that is going to come up on the floor today because it does assure the availability of reasonably priced consumer credit to consumers, which is going to enhance their ability to purchase things that they want in the future as well as to protect our economy and business in this country.

I think it is very, very important that we pass this legislation intact. It increases consumer awareness of their rights. It protects against identity theft. It expands consumer access to credit information and gives a free credit report annually to consumers in this country. There are a number of consumer protections that the gentleman from Vermont and others worked for that are now built into this bill and if this bill is adopted will become in fact permanent.

I urge my colleagues and all the Members of this body to vote in support of this bill.

Mr. WATT. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. EMANUEL) who has had such a tremendous impact on this bill, particularly the medical privacy portions of the bill. He has been a stalwart.

Mr. EMANUEL. Mr. Chairman, I would like to thank my colleague from North Carolina for his kind words. I would like to also congratulate the gentleman from Ohio (Mr. OXLEY), the

gentleman from Massachusetts (Mr. FRANK), the gentleman from Alabama (Mr. BACHUS), the gentleman from Vermont (Mr. SANDERS), and the gentleman from California (Mr. OSE) for cosponsoring our amendment that deals with medical information and blacking out that information. This is a landmark bill that will help American consumers by giving them important new rights and protections.

Our economy benefits from a national credit reporting system like no other in the world, and this legislation strikes the right balance by safeguarding consumers while also ensuring continued access to our instant credit system. Medical information should have no place in employment decisions or credit determinations, and corporate affiliates should not be able to share it. This information deserves the strongest protection under the law, but beyond that it is important that we give consumers back some control over who can and cannot use this information. In fact, a recent Gallup poll showed 95 percent of consumers are worried that their health providers or insurers may be sharing their private medical information with others. Beyond this concern, however, they fear losing more control every day over sensitive medical information.

No longer will we ask whether you opt in or opt out. Your medical information, medical information in your family from here forward is blacked out. It protects you in the most sensitive area. It blacks out the use of medical information in the credit-granting process. It establishes strict limits on the use of medical information for employment purposes. It blacks out the indiscriminate sharing of medical information among corporate affiliates. It blacks out the use of medical information to create individualized or aggregate lists based on consumers' payment transactions for medical products; creates a new and higher standard for reporting by credit reporting agencies to others who have requested information; and establishes strict limits on the reuse of medical information.

This is both good for consumers and good for business. In a typical way when you have a win-win situation, it will also in my view garner great bipartisan support. Again I want to close by thanking the chairman and the ranking member for having a bill that brings together business interests and consumer interests not only throughout the bill but also in this particular area, by blacking out medical information and giving consumers again control over their own lives.

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

Mr. Chairman, in 1996, or when the original fair credit reporting bill was passed, which I do think was 1996, there was quite a bit of controversy about whether the Federal Government should be the controlling entity with respect to these kinds of credit issues.

You had your classic States rights versus Federal Government debate. That has been much less of a debate this time because over time we have come to realize that commerce, both intrastate and interstate, is substantially impacted by the availability of credit. Just about everybody is using credit in commerce. Nobody is paying cash anymore, or seldom are people paying cash. So the argument about whether the Federal Government has a legitimate role in this fair credit process kind of has gone by the board over the years and was less of an issue in this debate and gave the committee in my estimation the opportunity to focus on really creating a comprehensive kind of approach to dealing with credit in this country, dealing with some of the problems that people face when credit reporting agencies get the wrong information, dealing with identity theft and medical privacy, and the whole range of issues that can come into play when a credit transaction is about to take place.

□ 1600

I think the gentleman from Ohio (Chairman OXLEY) and the gentleman from Massachusetts (Mr. FRANK) have done just a magnificent job of hearing all of the input from all of the different sides and coming together on a bill that came out of committee with not unanimous support, but virtually unanimous support.

Now, there are some things that may be tweaked between the committee process and the floor, and there might be some need to change one or two things that have been agreed upon, but there are some amendments that I think could have a negative effect on this kind of bipartisan agreement that has characterized this bill.

So I hope that as we go forward into the amendment process, all of us will remember how hard we worked to keep this a bipartisan bill, to deliver a bill to the Senate that had just broad-based support so they would not sit there and not do anything and let the authorization run out. We need to maintain this bill in its current form as much as possible, unless the Chair and ranking member have agreed to amendments. I hope that my colleagues will keep that in mind.

Mr. Chairman, it is time for us to pass this bill, move it over to the Senate, and hope that they will produce a product that will keep credit available to people in this country on a set of fair and equitable rules.

Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Chairman, I want to thank the gentleman from North Carolina for taking over for me temporarily and for his very effective leadership throughout the deliberations on this bill.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

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

Mr. Chairman, in only 1 minute it will be difficult to thank everybody, but let me try. First, the chairman of the subcommittee, the gentleman from Alabama (Mr. BACHUS), who has shown enormous leadership, the main sponsor of this bill. He held over eight hearings with over 100 witnesses. The gentleman from North Carolina is right, everybody who wanted to be heard on this bill was heard, sometimes more than once.

I would like to express thanks to the gentleman from Massachusetts (Mr. FRANK) for his leadership and direction and for helping us all along the way; to the gentlewoman from Oregon (Ms. HOOLEY), and to the gentleman from Ohio (Mr. LATOURETTE), particularly on their efforts on identity theft; and to the gentlewoman from Illinois (Mrs. BIGGETT) for her contributions as well. It is a real honor roll of members on our committee.

Frankly, over the last 2½ years, our committee has established a pretty solid record of bipartisan cooperation and production, whether it was the Sarbanes-Oxley bill, or whether it was tourism risk insurance, and the list goes on. This, I think, is one more addition to that honor roll. For that I am extremely grateful to the members of the committee on both sides of the aisle. We have been clearly blessed with a cooperation, and I think it will be reflected in the final vote.

Mr. HOYER. Mr. Chairman, I urge all my colleagues to support this legislation—the Fair and Accurate Credit Transactions Act of 2003—which provides a national uniform standard on how consumer reporting agencies and other financial services entities may access and use consumer financial and medical data.

But before I discuss the substance of the underlying bill, I want to compliment the Chairman and Ranking Member of the Financial Services Committee (Mr. OXLEY and Mr. FRANK), who worked together in crafting this bipartisan legislation, which I believe will be passed by an overwhelming margin today.

This, Mr. Chairman, is how our legislative process should work. The Chairman and Ranking Member identified a need. They held hearings. And they crafted the bipartisan solution on the Floor today that is, nonetheless, open to amendment.

Mr. Chairman, the advent of the Internet and the Information Revolution has been a terrific boon for the American consumer. Millions have received quick credit decisions on financing a new car, on obtaining a credit card, and on taking out or refinancing a mortgage. This has clearly facilitated many of the most important financial decisions consumer make, and strengthened our economy.

However, it also illustrates the need for national uniform standards for financial information. And that is what this bill addresses.

Under this legislation, consumers can receive a free annual credit report that will disclose their credit score. In addition, the Act gives consumers new options for disputing and correcting inaccuracies in their credit reports, encourages prompt investigations of such disputes, and establishes new require-

ments to prevent corrected errors from being reintroduced into a credit report.

The Act also includes provisions to combat identity theft. A recent Federal Trade Commission survey indicated that more than 27 million Americans have been victims of identity theft in the last five years, including nearly 10 million people in the last year alone.

H.R. 2622 permits consumers to more easily place “fraud alerts” on their consumer reports; to require credit reporting agencies to block (or omit) information that is confirmed to have resulted from an identity theft, as long as the consumer has filed a police report concerning the ID theft; and to prohibit retailers from printing the expiration date and more than the last five digits of a consumer’s credit or debit card number on electronic receipts.

Finally, the Act greatly expands the protections in the Fair Credit Reporting Act that govern the sharing and use of sensitive medical records and information, as well as information pertaining to medical-related payments and debts. These provisions will prohibit consumer reporting agencies from including medical information in a consumer’s credit report unless the medical information is directly relevant to the consumer’s attempts to obtain employment or credit and the consumer has explicitly consented to the release of the information.

Mr. Chairman, this legislation is not only substantively important, it is timely. As my colleagues may know, Congress must reauthorize the Fair Credit Reporting Act before the preemptions expire on December 31, 2003.

I urge my colleagues to vote for this legislation.

Mr. GILLMOR. Mr. Chairman, I rise today in strong support of H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003. Passage of this important legislation is essential to maintaining our current national credit reporting system. As Federal Reserve Board Chairman Alan Greenspan make clear to the Financial Services Committee in his testimony, if we do not act to extend the uniform national standard for consumer protections governing credit transactions first established in the Fair Credit Reporting Act “we will have great difficulty in maintaining the level of consumer credit currently available.”

H.R. 2622 maintains the free flow of credit reporting information to lenders and other financial services providers while also creating powerful new consumer protections. Consumers will have the authority to place fraud alerts in their credit reports, preventing identity thieves from using their information and keeping negative information resulting from fraudulent activity from being reported to a credit bureau.

The Fair and Accurate Credit Transactions Act will also allow consumers to access annually a free copy of their credit score and credit report identifying the key factors affecting their credit worthiness with recommendations on ways to improve their score. A provision I authored in H.R. 2622 will also improve the transparency of credit scoring systems by mandating that if the number of credit enquiries on a consumer’s account negatively affects their score it must be disclosed in their consumer report. This ensures the consumer and their prospective lenders are fully informed. This important requirement will allow conscientious consumers to shop around for the best rates on loans or mortgages without unknowingly harming their credit.

I would like to thank Financial Services Committee Chairman OXLEY and Subcommittee Chairman BACHUS for their hard work on this issue and urge my colleagues to join me in voting for this vital legislation. The consumer benefits afforded by our national credit system are too important to our nation’s economy to be left at risk.

Mr. ACKERMAN. Mr. Chairman, I rise today in support of H.R. 2622, the Fair and Accurate Credit Transactions Act. Over the past several months, the Financial Services Committee has held numerous hearings, in addition to the subcommittee and full committee markup of this legislation. As a member of the committee, I am proud to have played a role in crafting this important legislation which achieves a number of goals important to consumers, as well as to the financial industry.

This legislation extends the expiring provisions of the Fair Credit Reporting Act, allows consumers to receive free annual credit reports, and protects consumers’ sensitive medical information.

I am particularly pleased with the provisions that help consumers prevent and correct inaccuracies in their credit reports. The bill provides that when a financial institution reports negative information, such as a consumer’s delinquencies, the institution must notify the consumer of this in writing. This is a win-win for all parties involved. Financial institutions will stand a greater chance of collecting their money sooner if the consumer is warned that being reported to the credit bureau is imminent. A notice in writing stating you will be reported to the credit bureaus for this delinquency and that this will affect your credit rating is strong motivation for most consumers. For the consumer who wants to protect and improve his credit rating, this is essential information. For the consumer whose identity has been stolen, this may be a vital notification.

I have greatly appreciated the opportunity to collaborate with Chairman OXLEY, Ranking Member FRANK and their excellent staffs, all my colleagues on the Financial Services Committee, and representative of both the financial services industry and consumer groups to develop this historic bipartisan legislation. I ask my colleagues to join with me in supporting H.R. 2622.

Mr. BEREUTER. Mr. Chairman, this Member rises today to express his support for H.R. 2622, the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). This important legislation permanently extends those provisions in the Fair Credit Reporting Act (FCRA) which relate to the preemption of State laws. These provisions in the FCRA are set to expire on December 31, 2003. The FCRA is the Federal law which governs the furnishing of reports on the credit worthiness of consumers.

This Member would like to thank the distinguished gentleman from Alabama (Mr. BACHUS), the Chairman of the House Financial Services Subcommittee on Financial Institutions and Consumer Credit, for introducing this important legislation. Furthermore, this Member would like to thank both the distinguished gentleman from Ohio (Mr. OXLEY), the Chairman of the House Financial Services Committee, and the distinguished gentleman from Massachusetts (Mr. FRANK), the Ranking Member of this Committee, for their support in bringing this measure to the House floor.

This legislation, H.R. 2622, is essential since it ensures the continuity of the nationwide credit system while providing important consumer protections. This Member supports this legislation for many reasons. However, he would like to focus on the following three reasons.

First, this legislation provides for a free credit report annually for consumers. Typically, credit reporting agencies charge consumers up to \$9 for the disclosure of the information in their credit files. Under current law, a consumer may receive a free consumer report from a reporting agency only under certain circumstances, such as when a consumer receives a notice of an adverse action by a reporting agency. The FACT Act would provide for a free credit report annually for consumers for any reason. This Member believes that this provision will promote consumer awareness of a person's credit history as well as provide an opportunity for the consumer to correct any inaccurate information on one's credit report.

Second, this legislation provides important provisions to curb identity theft. To illustrate the need for these provisions, the Federal Trade Commission (FTC) released a survey at the beginning of September of this year which showed that a staggering 27.3 million Americans had been victims of identity theft in the last 5 years, including 9.9 million people in the last year alone. This bill provides the following consumer protection tools against identity theft: Allows consumers to place "fraud alerts" in their credit reports to prevent identity thieves from opening accounts in their names; allows consumers to block information from being given to a credit reporting agency and from being reported by this agency if such information results from identity theft; and prohibits furnishers of credit information from forwarding to reporting agencies information on a consumer if the furnisher has substantial doubts as to its accuracy.

Lastly, this bill continues the Federal preemption of State laws as it relates to the corporate affiliate sharing of financial information. During the consideration of the 1996 amendments to the FCRA, this Member authored a provision, which was signed into law, that required a consumer opt-out nontransactional is shared among corporate affiliates. Examples of nontransaction information include data from a consumer credit report and information on an application such as a consumer's income or assets. This provision on consumer notice is very important as it was the first consumer "opt out" on the sharing of financial information that this Member is aware of that was signed into Federal law.

In conclusion, for the reasons stated above and many others, this Member encourages his colleagues to support H.R. 2622.

Mr. CASTLE. Mr. Chairman, I rise today to express my strong support for the Fair and Accurate Credit Transactions Act of 2003. This bipartisan legislation passed the House Financial Services Committee by a vote of 61–3 in July 2003. An overwhelming endorsement which should be noted today.

This legislation is a good bipartisan bill, it is the result of six hearings, nearly 100 witnesses, and months of deliberations. Through this very thorough process, the Financial Services Committee has produced a bill that will protect the financial privacy and access to credit for all consumers. Furthermore, it will help our economic recovery by ensuring that

businesses have access to accurate information which provides prompt credit to American consumers.

As my colleagues know, one of the forces that has helped sustain our economy in recent years is consumer spending. A critical factor in enabling American consumers to purchase products when they need them and want them, is our strong system of consumer credit. That system is supported by the Fair Credit Reporting Act, which insures that factual information is available on which to base the extension of credit. Virtually every business in this Nation, and every consumer that has ever used credit, depends on this system.

One of my constituents, Michael Uffner, President, Chairman and CEO, of Auto Team Delaware, testified before the House Financial Services Committee this year. Mike Uffner stressed importance of access to accurate credit information to serve customers in a timely and fair manner. Americans want to be able to walk into an automobile showroom and purchase an automobile that day based on a prompt approval of a loan based on their credit.

In December, the national uniform consumer protection standards in the Fair Credit Reporting Act will expire. Without this legislation, there would be no national standards for consumer protections and credit availability. This will negatively affect consumer access to credit and the economy as a whole. A failure to pass this legislation means higher costs to consumers, who will be paying more for their credit without this legislation. In today's economy, rely on instant credit, available to us across the country. There is uniformity, this is not a state by state issue, as Congress we must protect consumers.

This legislation has a number of consumer protections, it helps protect consumer credit while providing access to greater opportunities of credit nationwide. This legislation provides consumers with the tools they need to fight identity theft and to ensure the accuracy of their credit reports.

Mr. Chairman, again, I want to express my strong support for this bill and urge my colleagues on both sides of the aisle to join the 61 bipartisan members of the House Financial Services Committee who worked together to craft this bill to protect consumers and give confidence to businesses. This is a proper step to ensure that all of our constituents have access to fair and reasonable credit and information.

Mr. SCHIFF. Mr. Chairman, I rise today to support the two amendments offered by my colleagues from California, Representatives SHERMAN, LEE, and WATERS which would protect California's consumer protection laws from being preempted by the base bill being debated today. First, let me express my appreciation to my colleagues who serve on the Financial Services Committee for bringing to this Floor such a strong bipartisan bill. H.R. 2622 is important legislation which is necessary to ensure the effectiveness of our nation's credit reporting system.

It is true, this legislation will extend consumer protections currently not afforded to millions of Americans. This is not true, however, for Californians. The California Legislature, with overwhelming bipartisan and consumer support, has adopted progressive and effective financial privacy laws which afford California residents the most far reaching consumer protections in the nation.

Under California law, Californians can correct erroneous credit reporting through the filing of police reports, can request a fraud alert to be posted on their personal credit reports, have access to contact information for those who placed information on their credit report, and have the right to remove their names from credit card solicitation lists furnished by credit bureaus.

Most recently, California adopted legislation which requires financial institutions to obtain a consumer's affirmative consent before sharing information with most third parties and prevents, except under certain circumstances, the affiliate sharing of a consumer's nonpublic personal information.

Should this legislation be adopted in its current form and without these amendments, perhaps fifteen consumer protections, including those which I have just listed, will be preempted. As I said, while many Americans will enjoy additional consumer protections through the adoption of H.R. 2622, Californians will lose many of the consumer protections which they have come to depend on.

We should not punish Californians for adopting far reaching consumer protections. In fact we should learn from California's example and extend these protections to the rest of the nation. And while this legislation will help millions of Americans it will be detrimental to all Californians.

All Members should support the amendments offered by Representatives SHERMAN, LEE and WATERS to ensure the protection of California law and protect a state's right to enact and enforce effective consumer protection laws. However, should these amendments not be agreed to today, I urge my colleagues to ensure that this issue is corrected in the House—Senate Conference Committee on this legislation.

Finally, H.R. 2622 is necessary and important legislation which would only be made better with the adoption of these amendments.

Mr. RUPPERSBERGER. Mr. Chairman, I have interest in a company that does business with a financial institution that one way or another might be impacted by this legislation, so I have decided to vote present on H.R. 2622, the Fair & Accurate Credit Transactions Act and the accompanying amendments on September 10, 2003. This includes all roll call votes starting at #495 until the end of the consideration of this measure. It also includes any motion to recommit and final passage on H.R. 2622, the Fair & Accurate Credit Transaction Act.

I do support the efforts of this legislation in combating identity theft and applaud authors of this measure.

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

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered read.

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

H.R. 2622

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Fair and Accurate Credit Transactions Act of 2003".

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

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

Sec. 3. Effective dates.

TITLE I—UNIFORM NATIONAL CONSUMER PROTECTION STANDARDS

Sec. 101. Uniform national consumer protection standards made permanent.

TITLE II—IDENTITY THEFT PREVENTION

Sec. 201. Investigating changes of address and inactive accounts.

Sec. 202. Fraud alerts.

Sec. 203. Truncation of credit card and debit card account numbers.

Sec. 204. Summary of rights of identity theft victims.

Sec. 205. Blocking of information resulting from identity theft.

Sec. 206. Establishment of procedures for depository institutions to identify possible instances of identity theft.

Sec. 207. Study on the use of technology to combat identity theft.

TITLE III—IMPROVING RESOLUTION OF CONSUMER DISPUTES

Sec. 301. Coordination of consumer complaint investigations.

Sec. 302. Notice of dispute through reseller.

Sec. 303. Reasonable investigation required.

Sec. 304. Duties of furnishers of information.

Sec. 305. Prompt investigation of disputed consumer information.

TITLE IV—IMPROVING ACCURACY OF CONSUMER RECORDS

Sec. 401. Reconciling addresses.

Sec. 402. Prevention of repollution of consumer reports.

Sec. 403. Notice by users with respect to fraudulent information.

Sec. 404. Disclosure to consumers of contact information for users and furnishers of information in consumer reports.

Sec. 405. FTC study of the accuracy of consumer reports.

TITLE V—IMPROVEMENTS IN USE OF AND CONSUMER ACCESS TO CREDIT INFORMATION

Sec. 501. Free reports annually.

Sec. 502. Disclosure of credit scores.

Sec. 503. Simpler and easier method for consumers to use notification system.

Sec. 504. Requirement to disclose communications to a consumer reporting agency.

Sec. 505. Study of effects of credit scores and credit-based insurance scores on availability and affordability of financial products.

Sec. 506. GAO study on disparate impact of credit system.

Sec. 507. Analysis of further restrictions on offers of credit or insurance.

Sec. 508. Study on the need and the means for improving financial literacy among consumers.

Sec. 509. Disclosure of increase in APR under certain circumstances.

TITLE VI—PROTECTING EMPLOYEE MISCONDUCT INVESTIGATIONS

Sec. 601. Certain employee investigation communications excluded from definition of consumer report.

TITLE VII—LIMITING THE USE AND SHARING OF MEDICAL INFORMATION IN THE FINANCIAL SYSTEM

Sec. 701. Protection of medical information in the financial system.

Sec. 702. Confidentiality of medical information in credit reports.

SEC. 2. DEFINITIONS.

Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by adding at the end the following new subsections:

“(r) RESELLER.—The term ‘reseller’ means a consumer reporting agency that—

“(1) assembles and merges information contained in the database of another consumer reporting agency or multiple consumer reporting agencies concerning any consumer for purposes of furnishing such information to any third party, to the extent of such activities; and

“(2) does not maintain a database of the assembled or merged information from which new consumer reports are produced.

“(s) OTHER DEFINITIONS.—

“(1) BOARD; CREDIT; CREDITOR; CREDIT CARD.—The terms ‘Board’, ‘credit’, ‘creditor’, and ‘credit card’ have the same meanings as in section 103 of the Truth in Lending Act.

“(2) COMMISSION.—The term ‘Commission’ means the Federal Trade Commission.

“(3) DEBIT CARD.—The term ‘debit card’ means any card issued by a financial institution to a consumer for use in initiating electronic fund transfers (as defined in section 903(6) of the Electronic Fund Transfer Act) from the account (as defined in such Act) of the consumer at such financial institution for the purpose of transferring money between accounts or obtaining money, property, labor, or services.

“(4) ELECTRONIC FUND TRANSFER.—The term ‘electronic fund transfer’ has the same meaning as in section 903 of the Electronic Fund Transfer Act.

“(5) FEDERAL BANKING AGENCY.—The term ‘Federal banking agency’ has the same meaning as in section 3 of the Federal Deposit Insurance Act.

“(6) IDENTITY THEFT.—The term ‘identity theft’ means a fraud committed using another person’s identifying information, subject to such further definition as the Commission and the Board may prescribe, jointly, by regulation.

“(7) POLICE REPORT.—The term ‘police report’ means a copy of any official valid report filed by a consumer with any appropriate Federal, State, or local government law enforcement agency, or any comparable official government document that the Board and the Commission shall jointly prescribe in regulations, that is subject to a criminal penalty for false statements.”.

SEC. 3. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsections (b) and (c)—

(1) before the end of the 2-month period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System and the Federal Trade Commission shall jointly prescribe regulations in final form establishing effective dates for each provision of this Act (except as otherwise specified); and

(2) the regulations prescribed under paragraph (1) shall establish effective dates that are as early as possible while allowing a reasonable time for the implementation of the provisions of this Act, but in no case shall the effective date be later than 10 months after the date of issuance of such regulations in final form.

(b) IMMEDIATE EFFECTIVE DATE.—The following provisions shall take effect on the date of the enactment of this Act:

(1) Title I.

(2) Section 201.

(3) Section 609(d)(1) of the Fair Credit Reporting Act (as added by the amendment in section 204(a)).

(4) Section 305.

(5) Section 505.

(6) Section 506.

(7) Title VI.

(c) EFFECTIVE DATE FOR PROTECTION OF MEDICAL INFORMATION IN THE FINANCIAL SYSTEM.—Section 701 shall take effect at the end of the 180-day period beginning on the date of the enactment of this Act, except that paragraph (2) of section 604(g) of the Fair Credit Reporting Act (as added by section 701) shall take effect on the later of—

(1) the end of the 90-day period beginning on the date the regulations required under para-

graph (5)(B) of such section 604(g) (as added by section 701) are prescribed in final form; or

(2) the date specified in the regulations referred to in paragraph (1).

TITLE I—UNIFORM NATIONAL CONSUMER PROTECTION STANDARDS

SEC. 101. UNIFORM NATIONAL CONSUMER PROTECTION STANDARDS MADE PERMANENT.

Section 624(d) of the Fair Credit Reporting Act (15 U.S.C. 1681t(d)) is amended—

(1) by striking “Subsections (b) and (c)” and all that follows through “do not affect any settlement,” and inserting “Subsections (b) and (c) do not affect any settlement.”; and

(2) by striking “Consumer Credit Reporting Reform Act of 1996” and all that follows through the period at the end of paragraph (2) and inserting “Consumer Credit Reporting Reform Act of 1996.”.

TITLE II—IDENTITY THEFT PREVENTION

SEC. 201. INVESTIGATING CHANGES OF ADDRESS AND INACTIVE ACCOUNTS.

(a) IN GENERAL.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by inserting after subsection (f), the following new subsection:

“(g) ‘RED FLAG’ PATTERNS OF POSSIBLE IDENTITY THEFT.—

“(1) INVESTIGATION OF CHANGES OF ADDRESS.—The Federal banking agencies and the National Credit Union Administration, in carrying out the responsibilities of such agencies and Administration under subsection (k), shall jointly prescribe regulations for credit card and debit card issuers to ensure that, if any such issuer receives a request for an additional or replacement card for an existing account within a short period of time after the issuer has received notification of a change of address for the same account, the issuer will follow reasonable policies and procedures that require, as appropriate, that the issuer not issue the additional or replacement card unless the issuer—

“(A) notifies the cardholder of the request at the former address of the cardholder and provides to the cardholder a means of promptly reporting incorrect address changes;

“(B) notifies the cardholder of the request by such other means of communication as the cardholder and the card issuer previously agreed to; or

“(C) uses other means of assessing the validity of the change of address, in accordance with reasonable policies and procedures established by the card issuer in accordance with the regulations prescribed under subsection (k).

“(2) INACTIVE ACCOUNTS.—The Federal banking agencies and the National Credit Union Administration, in carrying out the responsibilities of such agencies and Administration under subsection (k), shall consider including, as a possible ‘red flag’ pattern, reasonable guidelines providing that when a transaction occurs with respect to a credit or deposit account that has been inactive for more than 2 years, the creditor or depository institution shall follow reasonable policies and procedures that provide for notice to be given to a consumer in a manner reasonably designed to reduce the likelihood of identity theft with respect to such account.”.

(b) CLERICAL AMENDMENTS.—

(1) The heading for section 605 of the Fair Credit Reporting Act is amended to read as follows:

“§ 605. Requirements relating to information contained in consumer reports and to identity theft prevention.”.

(2) The table of sections for title VI of the Consumer Credit Protection Act is amended by striking the item relating to section 605 and inserting the following new item:

“605. Requirements relating to information contained in consumer reports and to identity theft prevention.”.

(3) Section 624(b)(1)(E) of the Fair Credit Reporting Act (15 U.S.C. 1681t(b)(1)(E)) is amended

by inserting "and to identity theft prevention" after "consumer reports".

SEC. 202. FRAUD ALERTS.

Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by adding at the end the following new subsection:

"(i) ONE-CALL FRAUD ALERTS.—

"(I) INITIAL ALERTS.—Upon the direct request of a consumer, or an individual acting on behalf of or as a personal representative of a consumer, who asserts, in good faith, a suspicion that the consumer has been or is about to become a victim of fraud or related crime, including identity theft, a consumer reporting agency described in section 603(p) shall, if the agency maintains a file on the consumer who is making the request and has a reasonable belief that the agency knows the identity of the consumer—

"(A) include a fraud alert in the file of that consumer for a period of not less than 90 days beginning on the date of such request, unless the consumer specifically requests that such fraud alert be removed before the end of such period;

"(B) disclose to the consumer that the consumer may request a free copy of the file of the consumer and provide the consumer, upon request, a free disclosure of the consumer's file (as described in section 609(a)) within 3 business days after such request;

"(C) for 2 years after the date of such request, exclude the consumer from any list of consumers prepared by the agency and provided to any third party to offer credit or insurance to the consumer as part of a transaction that was not initiated by the consumer, unless the consumer subsequently requests that such exclusion be rescinded before the end of such period; and

"(D) refer the information regarding the fraud alert to each of the other consumer reporting agencies described in section 603(p), as required under section 621(f)(1).

"(2) EXTENDED ALERTS.—Upon the direct request of a consumer, or an individual acting on behalf of or as a personal representative of a consumer, who contacts a consumer reporting agency described in section 603(p) to report details of an identity theft and submits evidence that provides the agency with reasonable cause to believe that such identity theft has occurred, the agency shall, if the agency maintains a file on the consumer who is making the request and has a reasonable belief that the agency knows the identity of the consumer—

"(A) include a fraud alert in the file of that consumer and provide an opportunity for the consumer to extend the alert for a period of up to 7 years from the date of such request, unless the consumer subsequently requests that such fraud alert be removed before the end of such period;

"(B) provide the consumer with the option of including more complete information in the consumer's file, including a telephone number or some other reasonable means of communication that any person who requests the consumer's report may utilize for authorization before establishing a new credit plan in the name of the consumer; and

"(C) provide the consumer with at least 2 free disclosures of the information described in section 609(a) during the 12-month period beginning on the date of such request.

"(3) ACTIVE DUTY ALERTS.—Upon the direct request of an active duty military consumer, or an individual acting on behalf of or as a personal representative of an active duty military consumer, who contacts a consumer reporting agency described in section 603(p), the agency shall, if the agency maintains a file on the consumer who is making the request and has a reasonable belief that the agency knows the identity of the consumer—

"(A) include an active duty alert in the file of that consumer during a period of not less than 12 months beginning on the date of the request, unless the consumer requests that such active

duty alert be removed before the end of such period;

"(B) for 2 years after the date of such request, exclude the consumer from any list of consumers prepared by the agency and provided to any third party to offer credit or insurance to the consumer as part of a transaction that was not initiated by the consumer, unless the consumer subsequently requests that such exclusion be rescinded before the end of such period; and

"(C) refer the information regarding the active duty alert to each of the other consumer reporting agencies described in section 603(p), as required under section 621(f)(1).

"(4) PROCEDURES.—Each consumer reporting agency described in section 603(p) shall establish policies and procedures to comply with the obligations of paragraphs (1), (2), and (3), including procedures that allow consumers to request initial, extended, or active duty alerts in a simple and easy manner, including by telephone.

"(5) NOTICE TO USERS.—No person who obtains any information that includes a fraud alert under this section from a file of any consumer from a consumer reporting agency may establish a new credit plan in the name of the consumer for a person other than the consumer without utilizing reasonable policies and procedures described in paragraph (9).

"(6) REFERRALS OF FRAUD ALERTS.—Each consumer reporting agency described in section 603(p) that receives a referral of a fraud alert from another such agency pursuant to paragraph (1)(D) or (3)(C) shall follow the procedures required under subparagraphs (A), (B), and (C) of paragraph (1), in the case of a referral under paragraph (1)(D), and subparagraphs (A) and (B), in the case of a referral under paragraph (3)(C), as if the agency received the request from the consumer directly.

"(7) DUTY OF RESELLER TO RECONVEY ALERT.—A reseller that is notified of the existence of a fraud alert in a consumer's consumer report shall communicate to each person procuring a consumer report with respect to such consumer the existence of a fraud alert in effect for such consumer.

"(8) DUTY OF OTHER CONSUMER REPORTING AGENCIES TO PROVIDE CONTACT INFORMATION.—If a consumer contacts any consumer reporting agency that is not a consumer reporting agency described in section 603(p) to communicate a suspicion that the consumer has been or is about to become a victim of fraud or related crime, including identity theft, the agency shall provide the consumer with information on how to contact the Commission and the consumer reporting agencies described in section 603(p) to obtain more detailed information and request alerts under this subsection.

"(9) FRAUD ALERT.—

"(A) DEFINITION.—For purposes of this subsection, the term 'fraud alert' means, at a minimum, a statement—

"(i) in the file of a consumer that the consumer may be a victim of fraud, including identity theft, or is a consumer described in paragraph (3); and

"(ii) that is transmitted in a manner that facilitates a clear and conspicuous view of the statement by any person requesting such file.

"(B) OTHER INFORMATION.—A fraud alert shall include information that notifies all prospective users of a consumer report on the consumer to which the alert relates that the consumer does not authorize establishing any new credit plan in the name of the consumer, unless the user utilizes reasonable policies and procedures to form a reasonable belief that the user knows the identity of the person for whom such new plan is established, which may include obtaining authorization or preauthorization of the consumer at a telephone number designated by the consumer or by such other reasonable means agreed to.

"(10) OTHER DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) ACTIVE DUTY MILITARY CONSUMER.—The term 'active duty military consumer' means a consumer in military service who—

"(i) is on active duty (as defined in section 101(d)(1) of title 10, United States Code) or is a reservist performing duty under a call or order to active duty under a provision of law referred to in section 101(a)(13) of title 10, United States Code; and

"(ii) is assigned to service away from the consumer's usual duty station.

"(B) NEW CREDIT PLAN.—The term 'new credit plan' means a new account under an open end credit plan (as defined in section 103(i) of this Act) or a new credit transaction not under an open end credit plan."

SEC. 203. TRUNCATION OF CREDIT CARD AND DEBIT CARD ACCOUNT NUMBERS.

(a) IN GENERAL.—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by inserting after subsection (k) (as added by section 206 of this title) the following new subsection:

"(l) TRUNCATION OF CREDIT CARD AND DEBIT CARD ACCOUNT NUMBERS.—

"(1) IN GENERAL.—Except as provided in this subsection, no person that accepts credit cards or debit cards for the transaction of business shall print the expiration date or more than the last 5 digits of the card number upon any receipt provided to the cardholder at the point of the sale or transaction.

"(2) LIMITATION.—This section shall apply only to receipts that are electronically printed, and shall not apply to transactions in which the sole means of recording the person's credit card or debit card number is by handwriting or by an imprint or copy of the card."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply after the end of—

(1) the 3-year period beginning on the date of the enactment of this Act, with respect to any cash register or other machine or device that electronically prints receipts for credit card or debit card transactions that is in use before January 1, 2005; and

(2) the 1-year period beginning on the date of the enactment of this Act, with respect to any cash register or other machine or device that electronically prints receipts for credit card or debit card transactions that is first put into use on or after January 1, 2005.

SEC. 204. SUMMARY OF RIGHTS OF IDENTITY THEFT VICTIMS.

(a) IN GENERAL.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by adding at the end the following new subsection:

"(d) SUMMARY OF RIGHTS OF IDENTITY THEFT VICTIMS.—

"(1) IN GENERAL.—The Commission, in consultation with the Federal banking agencies and the National Credit Union Administration, shall prepare a model summary of the rights of consumers under this title with respect to the procedures for remedying the effects of fraud or identity theft involving credit, electronic fund transfers, or accounts or transactions at or with a financial institution.

"(2) SUMMARY OF RIGHTS AND CONTACT INFORMATION.—If any consumer contacts a consumer reporting agency and expresses a belief that the consumer is a victim of fraud or identity theft involving credit, electronic fund transfers, or accounts or transactions at or with a financial institution, the consumer reporting agency shall, in addition to any other action the agency may take, provide the consumer with the model summary of rights prepared by the Commission under paragraph (1) and information on how to contact the Commission to obtain more detailed information."

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 624(b)(3) of the Fair Credit Reporting Act (15 U.S.C. 1681t(b)(3)) is amended by striking "section 609(c)" and inserting "subsection (c) or (d) of section 609".

SEC. 205. BLOCKING OF INFORMATION RESULTING FROM IDENTITY THEFT.

Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by inserting after subsection (i) (as added by section 202 of this title) the following new subsection:

“(j) **BLOCK OF INFORMATION RESULTING FROM IDENTITY THEFT.**—

“(1) **BLOCK.**—Except as provided in paragraph (3), a consumer reporting agency shall block the reporting of any information in the file of a consumer that the consumer identifies as information that resulted from an alleged identity theft and confirms is not information relating to any transaction by the consumer not later than 5 business days after the date of receipt by such agency of—

“(A) appropriate proof of the identity of a consumer;

“(B) a police report evidencing the claim of the consumer of identity theft;

“(C) the identification of the information by the consumer; and

“(D) confirmation by the consumer that the information is not information relating to any transaction by the consumer.

“(2) **NOTIFICATION.**—A consumer reporting agency shall promptly notify the furnisher of information identified by the consumer under paragraph (1)—

“(A) that the information may be a result of identity theft;

“(B) that a police report has been filed;

“(C) that a block has been requested under this subsection; and

“(D) of the effective date of the block.

“(3) **AUTHORITY TO DECLINE OR RESCIND.**—

“(A) **IN GENERAL.**—A consumer reporting agency may decline to block, or may rescind any block, of consumer information under this subsection if the consumer reporting agency reasonably determines that—

“(i) the information was blocked in error or a block was requested by the consumer in error;

“(ii) the information was blocked, or a block was requested by the consumer, on the basis of a misrepresentation of fact by the consumer relevant to the request to block; or

“(iii) the consumer knowingly obtained possession of goods, services, or moneys as a result of the blocked transaction or transactions, or the consumer should have known that the consumer obtained possession of goods, services, or moneys as a result of the blocked transaction or transactions.

“(B) **NOTIFICATION TO CONSUMER.**—If the block of information is declined or rescinded under this paragraph, the affected consumer shall be notified promptly, in the same manner as consumers are notified of the reinsertion of information under section 611(a)(5)(B).

“(C) **SIGNIFICANCE OF BLOCK.**—For purposes of this paragraph, if a consumer reporting agency rescinds a block, the presence of information in the file of a consumer prior to the blocking of such information is not evidence of whether the consumer knew or should have known that the consumer obtained possession of any goods, services, or monies as a result of the block.

“(4) **EXCEPTIONS.**—

“(A) **VERIFICATION COMPANIES.**—This subsection shall not apply to—

“(i) a check services company, which issues authorizations for the purpose of approving or processing negotiable instruments, electronic funds transfers, or similar methods of payments; or

“(ii) a deposit account information service company, which issues reports regarding account closures due to fraud, substantial overdrafts, automated teller machine abuse, or similar negative information regarding a consumer, to inquiring banks or other financial institutions for use only in reviewing a consumer request for a deposit account at the inquiring bank or financial institution.

“(B) **RESELLERS.**—

“(i) **NO RESELLER FILE.**—This subsection shall not apply to a consumer reporting agency if the consumer reporting agency—

“(1) is a reseller;

“(II) is not, at the time of the request of the consumer under paragraph (1), otherwise furnishing or reselling a consumer report concerning the information identified by the consumer; and

“(III) informs the consumer, by any means, that the consumer may report the identity theft to the Commission to obtain consumer information regarding identity theft.

“(ii) **RESELLER WITH FILE.**—The sole obligation of the consumer reporting agency under this subsection, with regard to any request of a consumer under this subsection, shall be to block the consumer report maintained by the consumer reporting agency from any subsequent use if—

“(I) the consumer, in accordance with the provisions of paragraph (1), identifies, to a consumer reporting agency, information in the file of the consumer that resulted from identity theft; and

“(II) the consumer reporting agency is a reseller of the identified information.

“(iii) **NOTICE.**—In carrying out its obligation under clause (ii), the reseller shall promptly provide a notice to the consumer of the decision to block the file. Such notice shall contain the name, address, and telephone number of each consumer reporting agency from which the consumer information was obtained for resale.

“(5) **ACCESS TO BLOCKED INFORMATION BY LAW ENFORCEMENT AGENCIES.**—No provision of this subsection shall be construed as requiring a consumer reporting agency to prevent a Federal, State, or local law enforcement agency from accessing blocked information in a consumer file to which the agency could otherwise obtain access under this title.”

SEC. 206. ESTABLISHMENT OF PROCEDURES FOR DEPOSITORY INSTITUTIONS TO IDENTIFY POSSIBLE INSTANCES OF IDENTITY THEFT.

(a) **IN GENERAL.**—Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by inserting after subsection (j) (as added by section 205 of this title) the following new subsection:

“(k) **‘RED FLAG’ GUIDELINES REQUIRED.**—

“(1) **IN GENERAL.**—The Federal banking agencies and the National Credit Union Administration, in consultation with the Commission, shall jointly establish and maintain guidelines for use by insured depository institutions in identifying patterns, practices, and specific forms of activity that indicate the possible existence of identity theft with respect to accounts, and update such guidelines as often as necessary.

“(2) **REGULATIONS.**—The Federal banking agencies and the National Credit Union Administration, in consultation with the Commission, shall jointly prescribe regulations requiring insured depository institutions to establish and adhere to reasonable policies and procedures for implementing the guidelines established pursuant to paragraph (1) to identify possible risks to customer accounts or to the safety and soundness of the institutions.

“(3) **CONSISTENCY WITH VERIFICATION REQUIREMENTS.**—Policies and procedures established pursuant to paragraph (2) shall not be inconsistent with, or duplicative of, the policies and procedures required under section 5318(l) of title 31, United States Code.

“(4) **INSURED DEPOSITORY INSTITUTION DEFINED.**—For purposes of this subsection, the term ‘insured depository institution’—

“(A) has the meaning given to such term in section 3 of the Federal Deposit Insurance Act; and

“(B) includes an insured credit union (as defined in section 101 of the Federal Credit Union Act).”

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall take effect at the end of the 1-year period beginning on the date of the enactment of this Act.

SEC. 207. STUDY ON THE USE OF TECHNOLOGY TO COMBAT IDENTITY THEFT.

(a) **STUDY REQUIRED.**—The Secretary of the Treasury shall conduct a study of the use of biometrics and other similar technologies to reduce the incidence and costs of identity theft by providing convincing evidence of who actually performed a given financial transaction.

(b) **CONSULTATION.**—The Secretary of the Treasury shall consult with Federal banking agencies, the Federal Trade Commission, and representatives of financial institutions, credit reporting agencies, Federal, State, and local government agencies that issue official forms or means of identification, State prosecutors, law enforcement agencies, and the biometric industry and other representatives of the general public, in formulating and conducting the study required by subsection (a).

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary of the Treasury for fiscal year 2004 such sums as may be necessary to carry out the provisions of this section.

(d) **REPORT REQUIRED.**—Before the end of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall submit a report to Congress containing the findings and conclusions of the study required under subsection (a), together with such recommendations for legislative or administrative actions as may be appropriate.

TITLE III—IMPROVING RESOLUTION OF CONSUMER DISPUTES**SEC. 301. COORDINATION OF CONSUMER COMPLAINT INVESTIGATIONS.**

Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by adding at the end the following new subsection:

“(f) **COORDINATION OF CONSUMER COMPLAINT INVESTIGATIONS.**—

“(1) **IN GENERAL.**—The consumer reporting agencies described in section 603(p) shall develop and maintain procedures for the referral, to each such agency, of any consumer complaint received by any such agency alleging any identity theft or requesting a block or a fraud alert.

“(2) **MODEL FORM AND PROCEDURE FOR REPORTING IDENTITY THEFT.**—The Commission, in consultation with the Federal banking agencies and the National Credit Union Administration, shall develop a model form and model procedures to be used by consumers who are victims of identity theft for contacting and informing creditors and consumer reporting agencies of the fraud.

“(3) **ANNUAL SUMMARY REPORTS.**—Each consumer reporting agency described in section 603(p) shall submit an annual summary report to the Commission on consumer complaints received by the agency on identity theft or fraud alerts.”

SEC. 302. NOTICE OF DISPUTE THROUGH RESELLER.

(a) **REQUIREMENT FOR REINVESTIGATION OF DISPUTED INFORMATION UPON NOTICE FROM A RESELLER.**—Section 611(a) of the Fair Credit Reporting Act (15 U.S.C. 1681i(a)(1)(A)) is amended—

(1) in subparagraph (A) of paragraph (1)—

(A) by striking “If the completeness” and inserting “Subject to subsection (e), if the completeness”;

(B) by inserting “, or indirectly through a reseller,” after “notifies the agency directly”; and

(C) by inserting “or reseller” before the period at the end of such subparagraph;

(2) in subparagraph (A) of paragraph (2)—

(A) by inserting “or a reseller” after “dispute from any consumer”; and

(B) by inserting “or reseller” before the period at the end of such subparagraph; and

(3) in subparagraph (B) of paragraph (2), by inserting “or the reseller” after “from the consumer”.

(b) **REINVESTIGATION REQUIREMENT APPLICABLE TO RESELLERS.**—Section 611 of the Fair

Credit Reporting Act (15 U.S.C. 1681i) is amended by adding at the end the following new subsection:

“(e) REINVESTIGATION REQUIREMENT APPLICABLE TO RESELLERS.—

“(1) EXEMPTION FROM GENERAL REINVESTIGATION REQUIREMENT.—Except as provided in paragraph (2), a reseller shall be exempt from the requirements of this section.

“(2) ACTION REQUIRED UPON RECEIVING NOTICE OF A DISPUTE.—If a reseller receives a notice from a consumer of a dispute concerning the completeness or accuracy of any item of information contained in a consumer report on such consumer produced by the reseller, the reseller shall, within 5 business days of receiving the notice and free of charge—

“(A) determine whether the item of information is incomplete or inaccurate as a result of an act or omission of the reseller; and

“(B) if—

“(i) the reseller determines that the item of information is incomplete or inaccurate as a result of an act or omission of the reseller, correct the information in the consumer report or delete it; or

“(ii) if the reseller determines that the item of information is not incomplete or inaccurate as a result of an act or omission of the reseller, convey the notice of the dispute, together with all relevant information provided by the consumer, to each consumer reporting agency that provided the reseller with the information that is the subject of the dispute.

“(3) RESELLER REINVESTIGATIONS.—No provision of this subsection shall be construed as prohibiting a reseller from conducting a reinvestigation of a consumer dispute directly.”.

(c) TECHNICAL AND CONFORMING AMENDMENT.—The heading for paragraph (2)(B) of section 611(a) of the Fair Credit Reporting Act (15 U.S.C. 1681i(a)(2)(B)) is amended by striking “FROM CONSUMER”.

SEC. 303. REASONABLE REINVESTIGATION REQUIRED.

Section 611(a)(1)(A) of the Fair Credit Reporting Act (15 U.S.C. 1681i(a)(1)(A)) is amended by striking “shall reinvestigate free of charge” and inserting “shall, free of charge, conduct a reasonable reinvestigation to determine whether the disputed information is inaccurate”.

SEC. 304. DUTIES OF FURNISHERS OF INFORMATION.

(a) IN GENERAL.—Section 623(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s-2(a)) is amended—

(1) in paragraph (1)(A), by striking “knows or consciously avoids knowing that the information is inaccurate” and inserting “knows or has reasonable cause to believe that the information is inaccurate”;

(2) in paragraph (1)—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively;

(B) by inserting after subparagraph (A), the following new subparagraph:

“(B) REASONABLE PROCEDURES TO ENSURE ACCURACY.—A person that regularly furnishes information relating to consumers to a consumer reporting agency described in section 603(p) shall maintain reasonable procedures designed to ensure that the information furnished is accurate.”; and

(C) by adding at the end the following new subparagraph:

“(F) DEFINITION.—For purposes of subparagraph (A), the term ‘reasonable cause to believe that the information is inaccurate’ means, based on the procedures described in subparagraph (B), has knowledge, other than solely allegations by the consumer, that would cause a reasonable person to have substantial doubts about the accuracy of the information.”; and

(3) by adding at the end the following new paragraph:

“(6) ABILITY OF CONSUMER TO DISPUTE INFORMATION DIRECTLY WITH FURNISHER.—

“(A) IN GENERAL.—A consumer may dispute directly with a person the accuracy of information that—

“(i) is contained in a consumer report on the consumer prepared by a consumer reporting agency described in section 603(p); and

“(ii) was provided by the person to that consumer reporting agency in accordance with paragraph (1)(B).

“(B) SUBMITTING A NOTICE OF DISPUTE.—A consumer who seeks to dispute the accuracy of information with a person under subparagraph (A) shall provide a dispute notice directly to such person at the address specified by the person for such notices that—

“(i) identifies the specific information that is being disputed; and

“(ii) explains the basis for the dispute.

“(C) DUTY OF PERSON AFTER RECEIVING NOTICE OF DISPUTE.—After receiving a notice of dispute from a consumer pursuant to subparagraph (B), the person that provided the information in dispute to a consumer reporting agency referred to in subparagraph (A) shall—

“(i) conduct an investigation with respect to the disputed information;

“(ii) review all relevant information provided by the consumer with the notice;

“(iii) complete such person’s investigation of the dispute and report the results of the investigation to the consumer before the expiration of the period under section 611(a)(1) within which a consumer reporting agency would be required to complete its action if the consumer had elected to dispute the information under that section; and

“(iv) if the investigation finds that the information reported was inaccurate, promptly thereafter report correct information to each consumer reporting agency described in section 603(p) to which the person furnished the inaccurate information.”.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 621(c)(5)(A) of the Fair Credit Reporting Act (15 U.S.C. 1681s(c)(5)(A)) is amended by striking “section 623(a)(1)” and inserting “paragraph (1) or (6) of section 623(a)”.

(2) The heading for section 621(c)(5) of the Fair Credit Reporting Act (15 U.S.C. 1681s(c)(5)) is amended by striking “VIOLATION OF SECTION 623(a)(1)” and inserting “CERTAIN VIOLATIONS OF SECTION 623(a)”.

SEC. 305. PROMPT INVESTIGATION OF DISPUTED CONSUMER INFORMATION.

(a) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System and the Federal Trade Commission shall jointly study the extent to which, and the manner in which, consumer reporting agencies and furnishers of consumer information to consumer reporting agencies are complying with the procedures, time lines, and requirements under the Fair Credit Reporting Act for the prompt investigation of the disputed accuracy of any consumer information, the completeness of the information provided to consumer reporting agencies, and the prompt correction or deletion, in accordance with such Act, of any inaccurate or incomplete information or information that cannot be verified.

(b) REPORT REQUIRED.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System and the Federal Trade Commission shall jointly submit a progress report to the Congress on the results of the study required under subsection (a).

(c) RECOMMENDATIONS.—The report under subsection (b) shall include such recommendations as the Board and the Commission jointly determine to be appropriate for legislative or administrative action to ensure that—

(1) consumer disputes with consumer reporting agencies over the accuracy or completeness of information in a consumer’s file are promptly and fully investigated and any incorrect, incomplete, or unverifiable information is corrected or deleted immediately thereafter;

(2) furnishers of information to consumer reporting agencies maintain full and prompt compliance with the duties and responsibilities established under section 623 of the Fair Credit Reporting Act; and

(3) consumer reporting agencies establish and maintain appropriate internal controls and management review procedures for maintaining full and continuous compliance with the procedures, time lines, and requirements under the Fair Credit Reporting Act for the prompt investigation of the disputed accuracy of any consumer information and the prompt correction or deletion, in accordance with such Act, of any inaccurate or incomplete information or information that cannot be verified.

(d) DEFINITIONS.—For purposes of this section, the terms “consumer”, “consumer report”, and “consumer reporting agency” have the same meaning as in the Fair Credit Reporting Act.

TITLE IV—IMPROVING ACCURACY OF CONSUMER RECORDS

SEC. 401. RECONCILING ADDRESSES.

Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by inserting after subsection (g) (as added by section 201 of this Act) the following new subsection.

“(h) NOTICE OF DISCREPANCY.—

“(1) IN GENERAL.—If a person has requested a consumer report relating to a consumer from a consumer reporting agency described in section 603(p), the request includes an address for the consumer that substantially differs from the addresses in the file of the consumer, and the agency provides a consumer report in response to the request, the consumer reporting agency shall notify the requester of the existence of the discrepancy.

“(2) REGULATIONS.—

“(A) REGULATIONS REQUIRED.—The Federal banking agencies and the National Credit Union Administration shall jointly prescribe regulations providing guidance regarding reasonable policies and procedures a user of a consumer report should employ when such user has received a notice of discrepancy under paragraph (1).

“(B) POLICIES AND PROCEDURES TO BE INCLUDED.—The regulations prescribed under subparagraph (A) shall describe reasonable policies and procedures for use by a user of a consumer report—

“(i) to form a reasonable belief that the user knows the identity of the person to whom the consumer report pertains; and

“(ii) if the user establishes a continuing relationship with the consumer, and the user regularly and in the ordinary course of business furnishes information to the consumer reporting agency from which the notice of discrepancy pertaining to the consumer was obtained, to reconcile the consumer’s address with the consumer reporting agency by furnishing such address to such consumer reporting agency as part of information regularly furnished by the user for the period in which the relationship is established.”.

SEC. 402. PREVENTION OF REPOLLUTION OF CONSUMER REPORTS.

Section 623(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681s-2(a)(1)) is amended by inserting after subparagraph (D) (as so redesignated by section 304(2)(A)) the following new subparagraph:

“(E) INFORMATION ALLEGED TO RESULT FROM IDENTITY THEFT.—If a consumer submits a police report to a person who furnishes information to a consumer reporting agency that states that information maintained by such person that purports to relate to the consumer resulted from identity theft, the person may not furnish such information that purports to relate to the consumer to any consumer reporting agency, unless the person subsequently knows or is informed by the consumer that the information is correct.”.

SEC. 403. NOTICE BY USERS WITH RESPECT TO FRAUDULENT INFORMATION.

Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended by adding at the end the following new subsection:

“(e) NOTICE OF FRAUDULENT INFORMATION RELATING TO IDENTITY THEFT.—If an agent acting as a debt collector (as defined in title VIII) of a person who furnishes information to any consumer reporting agency uses information contained in a consumer report on any consumer and learns that any such information so used is the result of identity theft or otherwise is fraudulent, the agent shall—

“(1) if such information—

“(A) originated from the person for whom the debt collector is acting as agent, notify the person of the fraudulent information; or

“(B) originated from a person other than the person for whom the debt collector is acting as agent, notify the consumer reporting agency (that provided the consumer report) of the fraudulent information, either directly or through the person for whom the debt collector is acting as agent; and

“(2) upon the request of the consumer, provide the consumer with all information which the consumer would be entitled to receive if the information related to the consumer other than by reason of identity theft.”.

SEC. 404. DISCLOSURE TO CONSUMERS OF CONTACT INFORMATION FOR USERS AND FURNISHERS OF INFORMATION IN CONSUMER REPORTS.

Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended—

(1) in paragraph (2), by inserting “, including addresses of the sources, and (if provided by the sources of information) the telephone numbers identified for customer service for the sources of information” after “sources of information” the 1st place such term appears in such paragraph; and

(2) in paragraph (3)(B) by striking clause (ii) and inserting the following new clause:

“(ii) the address and (if provided) the telephone numbers identified for customer service of the person.”.

SEC. 405. FTC STUDY OF THE ACCURACY OF CONSUMER REPORTS.

(a) STUDY REQUIRED.—Until the final report is submitted under subsection (b)(2), the Federal Trade Commission shall conduct an ongoing study of the accuracy and completeness of information contained in consumer reports prepared or maintained by consumer reporting agencies and methods for improving the accuracy and completeness of such information.

(b) BIENNIAL REPORTS REQUIRED.—

(1) INTERIM REPORTS.—The Federal Trade Commission shall submit an interim report to the Congress on the study conducted under subsection (a) at the end of the 6-month period beginning on the date of the enactment of this Act and biennially thereafter for 8 years.

(2) FINAL REPORT.—The Federal Trade Commission shall submit a final report to the Congress on the study conducted under subsection (a) at the end of the 2-year period beginning on the date the final interim report is submitted to the Congress under paragraph (1).

(3) CONTENTS.—Each report submitted under this subsection shall contain a detailed summary of the findings and conclusions of the Commission with respect to the study required under subsection (a) and such recommendations for legislative and administrative action as the Commission may determine to be appropriate.

TITLE V—IMPROVEMENTS IN USE OF AND CONSUMER ACCESS TO CREDIT INFORMATION**SEC. 501. FREE REPORTS ANNUALLY.**

(a) FREE REPORTS ANNUALLY FROM NATIONWIDE CONSUMER REPORTING AGENCIES.—Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended by adding at the end the following new subsection:

“(e) FREE ANNUAL DISCLOSURE.—Upon the direct request of the consumer, a consumer reporting agency described in section 603(p) shall make all disclosures pursuant to section 609 once during any 12-month period without charge to the consumer.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 612(c) of the Fair Credit Reporting Act (15 U.S.C. 1681j(c)) is amended by inserting “that is not a consumer reporting agency described in section 603(p)” after “consumer reporting agency”.

SEC. 502. DISCLOSURE OF CREDIT SCORES.

(a) STATEMENT ON AVAILABILITY OF CREDIT SCORES.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended by adding at the end the following new paragraph:

“(6) If the consumer requests the credit file and not the credit score, a statement that the consumer may request and obtain a credit score.”.

(b) DISCLOSURE OF CREDIT SCORES.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by inserting after subsection (d) (as added by section 204 of this Act) the following new subsection:

“(e) DISCLOSURE OF CREDIT SCORES.—

“(1) IN GENERAL.—Upon the consumer’s request for a credit score, a consumer reporting agency shall supply to a consumer a statement indicating that the information and credit scoring model may be different than the credit score that may be used by the lender, and a notice which shall include the following information:

“(A) The consumer’s current credit score or the consumer’s most recent credit score that was previously calculated by the credit reporting agency for a purpose related to the extension of credit.

“(B) The range of possible credit scores under the model used.

“(C) All the key factors that adversely affected the consumer’s credit score in the model used, the total number of which shall not exceed four, subject to paragraph (9).

“(D) The date the credit score was created.

“(E) The name of the person or entity that provided the credit score or credit file upon which the credit score was created.

“(2) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

“(A) CREDIT SCORE.—The term ‘credit score’—

“(i) means a numerical value or a categorization derived from a statistical tool or modeling system used by a person who makes or arranges a loan to predict the likelihood of certain credit behaviors, including default (and the numerical value or the categorization derived from this analysis may also be referred to as a ‘risk predictor’ or ‘risk score’); and

“(ii) does not include—

“(I) any mortgage score or rating of an automated underwriting system that considers one or more factors in addition to credit information, including the loan to value ratio, the amount of down payment, or a consumer’s financial assets; or

“(II) any other elements of the underwriting process or underwriting decision.

“(B) KEY FACTORS.—The term ‘key factors’ means all relevant elements or reasons adversely affecting the credit score for the particular individual listed in the order of their importance based on their effect on the credit score.

“(3) TIMEFRAME AND MANNER OF DISCLOSURE.—The information required by this subsection shall be provided in the same timeframe and manner as the information described in subsection (a).

“(4) APPLICABILITY TO CERTAIN USES.—This subsection shall not be construed so as to compel a consumer reporting agency to develop or disclose a score if the agency does not—

“(A) distribute scores that are used in connection with residential real property loans; or

“(B) develop scores that assist credit providers in understanding a consumer’s general credit

behavior and predicting the future credit behavior of the consumer.

“(5) APPLICABILITY TO CREDIT SCORES DEVELOPED BY ANOTHER PERSON.—

“(A) IN GENERAL.—This subsection shall not be construed to require a consumer reporting agency that distributes credit scores developed by another person or entity to provide a further explanation of them, or to process a dispute arising pursuant to section 611, except that the consumer reporting agency shall provide the consumer with the name and address and website for contacting the person or entity who developed the score or developed the methodology of the score.

“(B) EXCEPTION.—This paragraph shall not apply to a consumer reporting agency that develops or modifies scores that are developed by another person or entity.

“(6) MAINTENANCE OF CREDIT SCORES NOT REQUIRED.—This subsection shall not be construed to require a consumer reporting agency to maintain credit scores in its files.

“(7) COMPLIANCE IN CERTAIN CASES.—In complying with this subsection, a consumer reporting agency shall—

“(A) supply the consumer with a credit score that is derived from a credit scoring model that is widely distributed to users by that consumer reporting agency in connection with residential real property loans or with a credit score that assists the consumer in understanding the credit scoring assessment of the credit behavior of the consumer and predictions about the future credit behavior of the consumer; and

“(B) a statement indicating that the information and credit scoring model may be different than that used by the lender.

“(8) REASONABLE FEE.—A consumer reporting agency may charge a reasonable fee for providing the information required under this subsection.

“(9) USE OF ENQUIRIES AS A KEY FACTOR.—If a key factor that adversely affects a consumer’s credit score consists of the number of enquiries made with respect to a consumer report, that factor shall be included in the disclosure pursuant to paragraph (1)(C) without regard to the numerical limitation in such paragraph.”.

(c) DISCLOSURE OF CREDIT SCORES BY CERTAIN MORTGAGE LENDERS.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by inserting after subsection (e) (as added by subsection (b) of this section) the following new subsection:

“(f) DISCLOSURE OF CREDIT SCORES BY CERTAIN MORTGAGE LENDERS.—

“(1) IN GENERAL.—Any person who makes or arranges loans and who uses a consumer credit score as defined in subsection (e) in connection with an application initiated or sought by a consumer for a closed end loan or establishment of an open end loan for a consumer purpose that is secured by 1 to 4 units of residential real property (hereafter in this subsection referred to as the ‘lender’) shall provide the following to the consumer as soon as reasonably practicable:

“(A) INFORMATION REQUIRED UNDER SUBSECTION(e).—

“(i) IN GENERAL.—A copy of the information identified in subsection (e) that was obtained from a consumer reporting agency or was developed and used by the user of the information.

“(ii) NOTICE UNDER SUBPARAGRAPH (D).—In addition to the information provided to it by a third party that provided the credit score or scores, a lender is only required to provide the notice contained in subparagraph (D).

“(B) DISCLOSURES IN CASE OF AUTOMATED UNDERWRITING SYSTEM.—

“(i) IN GENERAL.—If a person who is subject to this section uses an automated underwriting system to underwrite a loan, that person may satisfy the obligation to provide a credit score by disclosing a credit score and associated key factors supplied by a consumer reporting agency.

“(ii) NUMERICAL CREDIT SCORE.—However, if a numerical credit score is generated by an automated underwriting system used by an enterprise, and that score is disclosed to the person, the score shall be disclosed to the consumer consistent with subparagraph (C).

“(iii) ENTERPRISE DEFINED.—For purposes of this subparagraph, the term ‘enterprise’ shall have the same meaning as in paragraph (6) of section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.

“(C) DISCLOSURES OF CREDIT SCORES NOT OBTAINED FROM A CONSUMER REPORTING AGENCY.—A person subject to the provisions of this subsection who uses a credit score other than a credit score provided by a consumer reporting agency may satisfy the obligation to provide a credit score by disclosing a credit score and associated key factors supplied by a consumer reporting agency.

“(D) NOTICE TO HOME LOAN APPLICANTS.—A copy of the following notice, which shall include the name, address, and telephone number of each consumer reporting agency providing a credit score that was used:

“NOTICE TO THE HOME LOAN APPLICANT

“In connection with your application for a home loan, the lender must disclose to you the score that a consumer reporting agency distributed to users and the lender used in connection with your home loan, and the key factors affecting your credit scores.

The credit score is a computer generated summary calculated at the time of the request and based on information a consumer reporting agency or lender has on file. The scores are based on data about your credit history and payment patterns. Credit scores are important because they are used to assist the lender in determining whether you will obtain a loan. They may also be used to determine what interest rate you may be offered on the mortgage. Credit scores can change over time, depending on your conduct, how your credit history and payment patterns change, and how credit scoring technologies change.

Because the score is based on information in your credit history, it is very important that you review the credit-related information that is being furnished to make sure it is accurate. Credit records may vary from one company to another.

If you have questions about your credit score or the credit information that is furnished to you, contact the consumer reporting agency at the address and telephone number provided with this notice, or contact the lender, if the lender developed or generated the credit score. The consumer reporting agency plays no part in the decision to take any action on the loan application and is unable to provide you with specific reasons for the decision on a loan application.

If you have questions concerning the terms of the loan, contact the lender.

(E) ACTIONS NOT REQUIRED UNDER THIS SUBSECTION.—This subsection shall not require any person to do any of the following:

(i) Explain the information provided pursuant to subsection (e).

(ii) Disclose any information other than a credit score or key factor, as defined in subsection (e).

(iii) Disclose any credit score or related information obtained by the user after a loan has closed.

(iv) Provide more than 1 disclosure per loan transaction.

(v) Provide the disclosure required by this subsection when another person has made the disclosure to the consumer for that loan transaction.

(F) NO OBLIGATION FOR CONTENT.—

(i) IN GENERAL.—Any person's obligation pursuant to this subsection shall be limited solely to providing a copy of the information that was received from the consumer reporting agency.

(ii) LIMIT ON LIABILITY.—No person has liability under this subsection for the content of that information or for the omission of any information within the report provided by the consumer reporting agency.

(G) PERSON DEFINED AS EXCLUDING ENTERPRISE.—As used in this subsection, the term ‘person’ does not include an enterprise (as defined in paragraph (6) of section 1303 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992).

(2) PROHIBITION ON DISCLOSURE CLAUSES NULL AND VOID.—

(A) IN GENERAL.—Any provision in a contract that prohibits the disclosure of a credit score by a person who makes or arranges loans or a consumer reporting agency is void.

(B) NO LIABILITY FOR DISCLOSURE UNDER THIS SUBSECTION.—A lender shall not have liability under any contractual provision for disclosure of a credit score pursuant to this subsection.

(d) INCLUSION OF KEY FACTOR IN CREDIT SCORE INFORMATION IN CONSUMER REPORT.—Section 605(d) of the Fair Credit Reporting Act (15 U.S.C. 1681c(d)) is amended—

(1) by striking “DISCLOSED.—Any consumer reporting agency” and inserting “DISCLOSED.—

(1) TITLE II INFORMATION.—Any consumer reporting agency”; and

(2) by adding at the end the following new paragraph:

(2) KEY FACTOR IN CREDIT SCORE INFORMATION.—Any consumer reporting agency that furnishes a consumer report that contains any credit score or any other risk score or predictor on any consumer shall include in the report a clear and conspicuous statement that a key factor (as defined in section 609(e)(2)(B)) that adversely affected such score or predictor was the number of enquiries, if such a predictor was in fact a key factor that adversely affected such score.

SEC. 503. SIMPLER AND EASIER METHOD FOR CONSUMERS TO USE NOTIFICATION SYSTEM.

(a) IN GENERAL.—Section 604(e)(5)(A)(i) of the Fair Credit Reporting Act (15 U.S.C. 1681b(e)(5)(A)(i)) is amended by inserting “in a simple and easy manner and” after “notify the agency.”

(b) SIMPLIFIED NOTICE AND RESPONSE FORMAT FOR USERS.—Section 615(d) of the Fair Credit Reporting Act (15 U.S.C. 1681m(d)) is amended—

(1) by redesignating paragraphs (2), (3), and (4), as paragraphs (3), (4) and (5); and

(2) by inserting after paragraph (1) the following new paragraph:

(2) SIMPLE AND EASY NOTIFICATION.—Any statement given the consumer under paragraph (1)(E) shall be in a simple and easy to understand format and shall describe the simple and easy method established under section 604(e)(5)(A)(i) for the consumer to respond.

SEC. 504. REQUIREMENT TO DISCLOSE COMMUNICATIONS TO A CONSUMER REPORTING AGENCY.

(a) IN GENERAL.—Section 623(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s-2(a)) is amended by inserting after paragraph (6) (as added by section 304(3)) the following new paragraph:

(7) NEGATIVE INFORMATION.—

(A) NOTICE TO CONSUMER REQUIRED.—

(i) IN GENERAL.—If any financial institution that extends credit and regularly and in the ordinary course of business furnishes information to a consumer reporting agency described in section 603(p) furnishes negative information to such an agency regarding credit extended to a customer, the financial institution shall provide a notice of such furnishing of negative information, in writing, to the customer.

(ii) NOTICE EFFECTIVE FOR SUBSEQUENT SUBMISSIONS.—After providing such notice, the financial institution may submit additional negative information to a consumer reporting agency described in section 603(p) with respect to the

same transaction, extension of credit, account, or customer without providing additional notice to the customer.

(B) TIME OF NOTICE.—

(i) IN GENERAL.—The notice required under subparagraph (A) shall be provided to the customer prior to, or no later than 30 days after, furnishing the negative information to a consumer reporting agency described in section 603(p).

(ii) COORDINATION WITH NEW ACCOUNT DISCLOSURES.—If the notice is provided to the customer prior to furnishing the negative information to a consumer reporting agency, the notice may not be included in the initial disclosures provided under section 127(a) of the Truth in Lending Act.

(C) COORDINATION WITH OTHER DISCLOSURES.—The notice required under subparagraph (A)—

(i) may be included on or with any notice of default, any billing statement, or any other materials provided to the customer; and

(ii) must be clear and conspicuous.

(D) MODEL DISCLOSURE.—

(i) DUTY OF BOARD TO PREPARE.—The Board shall prescribe a brief model disclosure a financial institution may use to comply with subparagraph (A), which shall not exceed 30 words.

(ii) USE OF MODEL NOT REQUIRED.—No provision of this paragraph shall be construed as requiring a financial institution to use any such model form prescribed by the Board.

(iii) COMPLIANCE USING MODEL.—A financial institution shall be deemed to be in compliance with subparagraph (A) if the financial institution uses any such model form prescribed by the Board, or the financial institution uses any such model form and rearranges its format.

(E) USE OF NOTICE WITHOUT SUBMITTING NEGATIVE INFORMATION.—No provision of this paragraph shall be construed as requiring a financial institution that has provided a customer with a notice described in subparagraph (A) to furnish negative information about the customer to a consumer reporting agency.

(F) SAFE HARBOR.—A financial institution shall not be liable for failure to perform the duties required by this paragraph if, at the time of the failure, the financial institution maintained reasonable policies and procedures to comply with this paragraph.

(G) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

(i) NEGATIVE INFORMATION.—The term ‘negative information’ means information concerning a customer's delinquencies, late payments, insolvency, or any form of default.

(ii) CUSTOMER; FINANCIAL INSTITUTION.—The terms ‘customer’ and ‘financial institution’ have the same meaning as in section 509 of the Gramm-Leach-Bliley Act.

(b) MODEL DISCLOSURE FORM.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System shall adopt the model disclosure required under the amendment made by subsection (a) after notice duly given in the Federal Register and an opportunity for public comment in accordance with section 553 of title 5, United States Code.

SEC. 505. STUDY OF EFFECTS OF CREDIT SCORES AND CREDIT-BASED INSURANCE SCORES ON AVAILABILITY AND AFFORDABILITY OF FINANCIAL PRODUCTS.

(a) STUDY REQUIRED.—The Federal Trade Commission, in consultation with the Office of Fair Housing and Equal Opportunity of the Department of Housing and Urban Development, shall conduct a study of—

(1) the effects of the use of credit scores and credit-based insurance scores on the availability and affordability of financial products and services, including credit cards, mortgages, auto loans, and property and casualty insurance;

(2) the degree of causality between the factors considered by credit score systems and the quantifiable risks and actual losses experienced by

businesses, including the extent to which, if any, each of the factors considered or otherwise taken into account by such systems are accurate predictors of risk or loss, and where the means square error of a scoring model's predictions are considered in the evaluation of accuracy;

(3) the extent to which, if any, the use of credit scoring models, credit scores and credit-based insurance scores result in disparate impact by geography, income, ethnicity, race, color, religion, national origin, age, sex or marital status, and creed, including the extent to which the consideration or lack of consideration of certain factors by credit scoring systems could result in disparate effects and the extent to which, if any, the use of underwriting systems relying on these models could achieve comparable results through the use of factors with less disparate impact; and

(4) the extent to which credit scoring systems are used by businesses, the factors considered by such systems, and the effects of variables which are not considered by such systems.

(b) **PUBLIC PARTICIPATION.**—The Commission shall seek public input about the prescribed methodology and research design of the study required in subsection (a).

(c) **REPORT REQUIRED.**—

(1) **IN GENERAL.**—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Federal Trade Commission shall submit a detailed report on the study conducted pursuant to subsection (a) to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) **CONTENTS OF REPORT.**—The report submitted under paragraph (1) shall include the findings and conclusions of the Commission, together with such recommendations for legislative or administrative action as the Commission may determine to be necessary to ensure that credit and credit-based insurance scores are used appropriately and fairly to avoid disparate effects.

(d) **CREDIT SCORE DEFINED.**—For purposes of this section, the term "credit score" means a numerical value or a categorization derived from a statistical tool or modeling system used to predict the likelihood of certain credit or insurance behaviors, including default.

SEC. 506. GAO STUDY ON DISPARATE IMPACT OF CREDIT SYSTEM.

(a) **STUDY REQUIRED.**—The Comptroller General shall conduct a study of the credit system to determine the extent to which, if any, discrimination exists with regard to the availability and the terms of credit which has a disparate impact on the basis of race, color, income and education level, geographic location, age, sex, sexual orientation, national origin, or marital status and the nature of any such discriminatory effect.

(b) **REPORT REQUIRED.**—Before the end of the 2-year period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress on the findings and conclusions of the Comptroller General pursuant to the study conducted under subsection (a), together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

SEC. 507. ANALYSIS OF FURTHER RESTRICTIONS ON OFFERS OF CREDIT OR INSURANCE.

(a) **IN GENERAL.**—The Board of Governors of the Federal Reserve System shall conduct a study of—

(1) the ability of consumers to avoid receiving written offers of credit or insurance in connection with transactions not initiated by the consumer; and

(2) the potential impact any further restrictions on providing consumers with such written offers of credit or insurance would have on consumers.

(b) **REPORT.**—The Board of Governors of the Federal Reserve System shall submit a report

summarizing the results of the study required under subsection (a) to the Congress no later than 12 months after the date of the enactment of this Act, together with such recommendations for legislative or administrative action as the Board may determine to be appropriate.

(c) **CONTENT OF REPORT.**—The report described in subsection (b) shall address the following issues:

(1) The current statutory or voluntary mechanisms that are available to a consumer to notify lenders and insurance providers that the consumer does not wish to receive written offers of credit or insurance.

(2) The extent to which consumers are currently utilizing existing statutory and voluntary mechanisms to avoid receiving offers of credit or insurance.

(3) The benefits provided to consumers as a result of receiving written offers of credit or insurance.

(4) Whether consumers incur significant costs or are otherwise adversely affected by the receipt of written offers of credit or insurance.

(5) Whether further restricting the ability of lenders and insurers to provide written offers of credit or insurance to consumers would affect—

(A) the cost consumers pay to obtain credit or insurance;

(B) the availability of credit or insurance;

(C) consumers' knowledge about new or alternative products and services;

(D) the ability of lenders or insurers to compete with one another; and

(E) the ability to offer credit or insurance products to consumers who have been traditionally underserved.

SEC. 508. STUDY ON THE NEED AND THE MEANS FOR IMPROVING FINANCIAL LITERACY AMONG CONSUMERS.

(a) **STUDY REQUIRED.**—The Comptroller General shall conduct a study to assess the extent of consumers' knowledge and awareness of credit reports, credit scores, and the dispute resolution process, and on methods for improving financial literacy among consumers.

(b) **FACTORS TO BE INCLUDED.**—The study required under subsection (a) shall include the following issues:

(1) The number of consumers who view their credit reports.

(2) Under what conditions and for what purposes do consumers primarily obtain a copy of their consumer report (such as for the purpose of ensuring the completeness and accuracy of the contents, to protect against fraud, in response to an adverse action based on the report, or in response to suspected identity theft) and approximately what percentage of the total number of consumers who obtain a copy of their consumer report do so for each such primary purpose.

(3) The extent of consumers' knowledge of the data collection process.

(4) The extent to which consumers know how to get a copy of a consumer report.

(5) The extent to which consumers know and understand the factors that positively or negatively impact credit scores.

(c) **REPORT REQUIRED.**—Before the end of the 9-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress on the findings and conclusions of the Comptroller General pursuant to the study conducted under subsection (a), together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate, including recommendations on methods for improving financial literacy among consumers.

SEC. 509. DISCLOSURE OF INCREASE IN APR UNDER CERTAIN CIRCUMSTANCES.

Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended by inserting after subsection (f) (as added by section 502(c) of this title) the following new subsection:

“(g) **DISCLOSURE TO CONSUMER.**—

“(1) **IN GENERAL.**—The ability of a credit card issuer to increase any annual percentage rate applicable to a credit card account, or to remove or increase any introductory annual percentage rate of interest applicable to such account, for reasons other than actions or omissions of the card holder that are directly related to such account shall be clearly and conspicuously disclosed to the consumer by the credit card issuer in any disclosure or statement required to be made to the consumer under this title in connection with a credit card solicitation that is not initiated by the consumer.

“(2) **REGULATIONS AND MODEL STATEMENTS.**—The Board, in consultation with the Federal banking agencies and the National Credit Union Administration, shall develop such guidelines in regulations as necessary to assure that the information to be disclosed to consumers pursuant to paragraph (1) is clearly and conspicuously provided in a prominent location in any credit card solicitation that is not initiated by the consumer, and shall include model disclosure statements to be used by credit card issuers in making the disclosures required to be provided to the consumer by paragraph (1).”

TITLE VI—PROTECTING EMPLOYEE MISCONDUCT INVESTIGATIONS

SEC. 601. CERTAIN EMPLOYEE INVESTIGATION COMMUNICATIONS EXCLUDED FROM DEFINITION OF CONSUMER REPORT.

(a) **IN GENERAL.**—Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by inserting after subsection (p) the following new subsection:

“(q) **EXCLUSION OF CERTAIN COMMUNICATIONS FOR EMPLOYEE INVESTIGATIONS.**—

“(1) **COMMUNICATIONS DESCRIBED IN THIS SUBSECTION.**—A communication is described in this subsection if—

“(A) but for subsection (d)(2)(D), the communication would be a consumer report;

“(B) the communication is made to an employer in connection with an investigation of—

“(i) suspected misconduct relating to employment; or

“(ii) compliance with Federal, State, or local laws and regulations, the rules of a self-regulatory organization, or any preexisting written policies of the employer;

“(C) the communication is not made for the purpose of investigating a consumer's credit worthiness, credit standing, or credit capacity; and

“(D) the communication is not provided to any person except—

“(i) to the employer or an agent of the employer;

“(ii) to any Federal or State officer, agency, or department, or any officer, agency, or department of a unit of general local government;

“(iii) to any self-regulatory organization with regulatory authority over the activities of the employer or employee;

“(iv) as otherwise required by law; or

“(v) pursuant to section 608.

“(2) **SUBSEQUENT DISCLOSURE.**—After taking any adverse action based in whole or in part on a communication described in paragraph (1), the employer shall disclose to the consumer a summary containing the nature and substance of the communication upon which the adverse action is based, except that the sources of information acquired solely for use in preparing what would be but for subsection (d)(2)(D) an investigative consumer report need not be disclosed.

“(3) **SELF-REGULATORY ORGANIZATION DEFINED.**—For purposes of this subsection, the term "self-regulatory organization" includes any self-regulatory organization (as defined in section 3(a)(26) of the Securities Exchange Act of 1934), any entity established under title I of the Sarbanes-Oxley Act of 2002, any board of trade designated by the Commodity Futures Trading Commission, and any futures association registered with such Commission.”

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 603(d)(2)(D) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)(2)(D)) is amended by inserting “or (q)” after “subsection (o)”.

TITLE VII—LIMITING THE USE AND SHARING OF MEDICAL INFORMATION IN THE FINANCIAL SYSTEM

SEC. 701. PROTECTION OF MEDICAL INFORMATION IN THE FINANCIAL SYSTEM

(a) IN GENERAL.—Section 604(g) of the Fair Credit Reporting Act (15 U.S.C. 1681b(g)) is amended to read as follows:

“(g) PROTECTION OF MEDICAL INFORMATION.—

“(1) LIMITATION ON CONSUMER REPORTING AGENCIES.—A consumer reporting agency shall not furnish for employment purposes, or in connection with a credit or insurance transaction, a consumer report that contains medical information about a consumer, unless—

“(A) if furnished in connection with an insurance transaction, the consumer affirmatively consents to the furnishing of the report;

“(B) if furnished for employment purposes or in connection with a credit transaction—

“(i) the information to be furnished is relevant to process or effect the employment or credit transaction; and

“(ii) the consumer provides specific written consent for the furnishing of the report that describes in clear and conspicuous language the use for which the information will be furnished; or

“(C) such information is restricted or reported using codes that do not identify, or provide information sufficient to infer, the specific provider or the nature of such services, products, or devices to a person other than the consumer, unless the report is being provided to an insurance company for a purpose relating to engaging in the business of insurance other than property and casualty insurance.

“(2) LIMITATION ON CREDITORS.—Except as permitted pursuant to paragraph (3)(C) or regulations prescribed under paragraph (5)(A), a creditor shall not obtain or use medical information pertaining to a consumer in connection with any determination of the consumer’s eligibility, or continued eligibility, for credit.

“(3) ACTIONS AUTHORIZED BY FEDERAL LAW, INSURANCE ACTIVITIES AND REGULATORY DETERMINATIONS.—Section 603(d)(3) shall not be construed so as to treat information or any communication of information as a consumer report if the information or communication is disclosed—

“(A) in connection with the business of insurance or annuities, including the activities described in section 18B of the model Privacy of Consumer Financial and Health Information Regulation issued by the National Association of Insurance Commissioners (as in effect on January 1, 2003);

“(B) for any purpose permitted without authorization under the Standards for Individually Identifiable Health Information promulgated by the Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996, or referred to under section 1179 of such Act, or described in section 502(e) of Public Law 106-102; or

“(C) as otherwise determined to be necessary and appropriate, by regulation or order and subject to paragraph (6), by the Commission, any Federal banking agency or the National Credit Union Administration (with respect to any financial institution subject to the jurisdiction of such agency or Administration under paragraph (1), (2), or (3) of section 621(b), or the applicable State insurance authority (with respect to any person engaged in providing insurance or annuities).

“(4) LIMITATION ON REDISCLOSURE OF MEDICAL INFORMATION.—Any person that receives medical information pursuant to paragraphs (1) or (3) shall not disclose such information to any other person except as necessary to carry out

the purpose for which the information was initially disclosed, or as otherwise permitted by statute, regulation, or order.

“(5) REGULATIONS AND EFFECTIVE DATE FOR PARAGRAPH (2).—

“(A) REGULATIONS REQUIRED.—Each Federal banking agency and the National Credit Union Administration shall, subject to paragraph (6) and after notice and opportunity for comment, prescribe regulations that permit transactions under paragraph (2) that are determined to be necessary and appropriate to protect legitimate operational, transactional, risk, consumer, and other needs, consistent with the intent of paragraph (2) to restrict the use of medical information for inappropriate purposes.

“(B) FINAL REGULATIONS REQUIRED.—The Federal banking agencies and the National Credit Union Administration shall prescribe the regulations required under subparagraph (A) in final form before the end of the 6-month period beginning on the date of the enactment of the Fair and Accurate Credit Transactions Act of 2003.

“(6) COORDINATION WITH OTHER LAWS.—No provision of this subsection shall be construed as altering, affecting, or superseding the applicability of any other provision of Federal law relating to medical confidentiality.”

(b) RESTRICTION ON SHARING OF MEDICAL INFORMATION.—Section 603(d) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)) is amended—

(1) in paragraph (2), by striking “The term” and inserting “Except as provided in paragraph (3), the term”; and

(2) by adding at the end the following new paragraph:

“(3) RESTRICTION ON SHARING OF MEDICAL INFORMATION.—Except for information or any communication of information disclosed as provided in section 604(g)(3), the exclusions in paragraph (2) shall not apply with respect to information disclosed to any person related by common ownership or affiliated by corporate control if—

“(A) the information is medical information; or

“(B) the information is an individualized list or description based on a consumer’s payment transactions for medical products or services, or an aggregate list of identified consumers based on payment transactions for medical products or services.”

SEC. 702. CONFIDENTIALITY OF MEDICAL CONTACT INFORMATION IN CREDIT REPORTS.

(a) DUTIES OF MEDICAL INFORMATION FURNISHERS.—Section 623(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s-2(a)) is amended by inserting after paragraph (7) (as added by section 504(a)) the following new paragraph:

“(8) DUTY TO PROVIDE NOTICE OF STATUS AS MEDICAL INFORMATION FURNISHER.—A person whose primary business is providing medical services, products, or devices, or the person’s agent or assignee, who furnishes information to a consumer reporting agency on a consumer shall be considered a medical information furnisher for the purposes of this title and shall notify the agency of such status.”

(b) RESTRICTION OF DISSEMINATION OF MEDICAL CONTACT INFORMATION.—Section 605(a) of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)) is amended by adding the following new paragraph:

“(6) The name, address, and telephone number of any medical information furnisher that has notified the agency of its status, unless—

“(A) such name, address, and telephone number are restricted or reported using codes that do not identify, or provide information sufficient to infer, the specific provider or the nature of such services, products, or devices to a person other than the consumer; or

“(B) the report is being provided to an insurance company for a purpose relating to engaging in the business of insurance other than property and casualty insurance.”

(c) NO EXCEPTIONS ALLOWED FOR DOLLAR AMOUNTS.—Section 605(b) of the Fair Credit Reporting Act (15 U.S.C. 1681c(b)) is amended by striking “The provisions of subsection (a)” and inserting “The provisions of paragraphs (1) through (5) of subsection (a)”.

(d) COORDINATION WITH OTHER LAWS.—No provision of any amendment made by this section shall be construed as altering, affecting, or superseding the applicability of any other provision of Federal law relating to medical confidentiality.

(e) FTC REGULATION OF CODING OF TRADE NAMES.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by inserting after subsection (f) (as added by section 301 of this Act) the following new subsection:

“(g) FTC REGULATION OF CODING OF TRADE NAMES.—If the Commission determines that a person described in paragraph (8) of section 623(a) has not met the requirements of such paragraph, the Commission shall take action to ensure the person’s compliance with such paragraph, which may include issuing model guidance or prescribing reasonable policies and procedures as necessary to ensure that such person complies with such paragraph.”

(f) TECHNICAL AND CONFORMING AMENDMENTS.—Section 604(g) of the Fair Credit Reporting Act (15 U.S.C. 1681b(g)) (as amended by section 701) is amended—

(1) in paragraph (1) by inserting “(other than medical contact information treated in the manner required under section 605(a)(6))” after “a consumer report that contains medical information”; and

(2) in paragraph (2) by inserting “(other than medical information treated in the manner required under section 605(a)(6))” after “a creditor shall not obtain or use medical information”.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect at the end of the 15-month period beginning on the date of the enactment of this Act.

The CHAIRMAN. No amendment to that amendment shall be in order except those printed in the designated place in the CONGRESSIONAL RECORD and pro forma amendments for the purposes of debate. Amendments printed in the RECORD may be offered only by the Member who caused it to be printed or his designee and shall be considered read.

Are there amendments to the bill?

AMENDMENT NO. 17 OFFERED BY MR. OXLEY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 17 offered by Mr. OXLEY:

Page 7, after line 9, insert the following new subsection:

(d) CRITERIA FOR ORDERLY IMPLEMENTATION OF FREE ANNUAL CREDIT REPORT PROVISION.—

(1) IN GENERAL.—In developing the regulations and effective dates under subsection (a) (and subject to the time limits in paragraph (2) and subsection (a)), the Federal Trade Commission and the Board of Governors of the Federal Reserve System shall provide a systematic approach for implementing the amendment made by section 501 that allows for an orderly transition to the consumer report distribution system required by the amendment in a manner that—

(A) does not temporarily overwhelm consumer reporting agencies with requests for disclosures of consumer reports beyond their capacity to deliver; and

(B) does not deny creditors, other users, and consumers access to consumer credit reports on a time-sensitive basis for specific purposes, such as home purchases or suspicions of identity theft, during the transition period.

(2) PROHIBITION ON EXTENSION OF EFFECTIVE DATE.—

(A) ONE-TIME AUTHORIZATION.—The Federal Trade Commission and the Board of Governors of the Federal Reserve System may exercise the authority provided under paragraph (1) only once during the 2-month period referred to in subsection (a)(1).

(B) EXTENSION OF EFFECTIVE DATE PROHIBITED.—No provision of this subsection shall be construed as extending, or authorizing the Federal Trade Commission or the Board of Governors of the Federal Reserve System to extend, the 2-month period referred to in subsection (a)(1) or the 10-month period referred to in subsection (a)(2) relating to the requirements imposed on consumer reporting agencies by the amendment made by section 501.

Page 10, strike line 12 and insert “inserting (and to specific identity theft prevention subjects covered) after”.

Page 20, line 7, insert “a summary of rights, or other disclosure, that is the same as or substantially similar to” after “with”.

Page 20, after line 14, insert the following new subsection:

(c) EFFECTIVE DATE.—Paragraph (2) of section 609(d) of the Fair Credit Reporting Act (as added by subsection (a) of this section) shall apply after the end of the 60-day period beginning on the date the model summary of rights is prescribed in final form by the Federal Trade Commission pursuant to paragraph (1) of such section and in accordance with section 3(a) of this Act.

Page 27, line 4, strike “, or duplicative of.”.

Page 28, line 4, strike “credit” and insert “consumer”.

Page 28, strike line 7 and insert “the biometric industry, and the”.

Page 28, line 8, strike the comma after “public”.

Page 32, line 11, insert “, using an address or a notification mechanism specified by the consumer reporting agency for such notices” before the period.

Page 35, beginning on line 25, strike “thereafter report correct information to” and insert “notify”.

Page 36, line 3, strike the period, the closing quotation marks, and the second period and insert “of that determination and provide to the agency any correction to that information that is necessary to make the information provided by the person accurate.”.

Page 36, after line 3, insert the following new subparagraph:

“(D) FRIVOLOUS OR IRRELEVANT DISPUTE.—

“(i) IN GENERAL.—The requirements of this paragraph shall not apply if the person receiving a notice of a dispute from a consumer reasonably determines that the dispute is frivolous or irrelevant, including—

“(I) by reason of the failure of a consumer to provide sufficient information to investigate the disputed information; or

“(II) the submission by a consumer of a dispute that is substantially the same as a dispute previously submitted by or for the consumer, either directly to the person under this paragraph or through a consumer reporting agency under subsection (b), with respect to which the person has already performed the person’s duties under this paragraph or subsection (b), as applicable.

“(ii) NOTICE OF DETERMINATION.—Upon making any determination under clause (i) that a dispute is frivolous or irrelevant, the person shall notify the consumer of such determination not later than 5 business days after making such determination, by mail

or, if authorized by the consumer for that purpose, by any other means available to the person.

“(iii) CONTENTS OF NOTICE.—A notice under clause (ii) shall include—

“(I) the reasons for the determination under clause (i); and

“(II) identification of any information required to investigate the disputed information, which may consist of a standardized form describing the general nature of such information.”.

Page 56, line 16, insert before the closing quotation marks the following new sentence: “This paragraph shall not apply to a person described in subsection (j)(4)(A)(i), but only to the extent that such person is engaged in activities described in such subsection.”.

Page 60, line 16, insert “or the financial institution reasonably believed that the institution is prohibited, by law, from contacting the consumer” before the period.

Page 73, strike line 6 and all that follows through line 14, and insert the following new subparagraph:

“(C) the information to be furnished pertains solely to transactions, accounts, or balances relating to debts arising from the receipt of medical services, products, or devices, where such information, other than account status or amounts, is restricted or reported using codes that do not identify, or do not provide information sufficient to infer, the specific provider or the nature of such services, products, or devices, as provided in section 605(a)(6)).

Page 75, line 8, strike “purpose” and insert “purposes”.

Page 75, line 21, insert “(and which shall include permitting actions necessary for administrative verification purposes)” after “needs”.

Mr. OXLEY. Mr. Chairman, I am pleased to offer this manager’s amendment, which reflects extensive negotiations with the committee’s ranking minority member, the gentleman from Massachusetts (Mr. FRANK), to resolve issues that arose when the committee marked up this legislation in July. The amendment makes largely technical and conforming changes to legislation that the committee overwhelmingly approved by a vote of 61 to 3.

First, the amendment clarifies that while the new consumer protections against identity theft create uniform standards preempting State laws on the same specific subjects, the bill does not preempt subject matters that are outside the scope of those new provisions, such as limits on Social Security number use or criminal penalties for identity theft perpetrators. This approach assures that the strong new identity theft protections we establish in this legislation are applied uniformly across the country, while leaving undisturbed those State statutes that address subjects not covered by the bill’s identity theft provisions.

Second, the amendment includes language responsive to concerns raised by several members at the Committee on Financial Services’s markup of the FACT Act relating to the new furnisher reinvestigation duties imposed by section 304 of the bill.

Specifically, the manager’s amendment gives furnishers the same right to reject frivolous or irrelevant disputes brought by consumers that credit bu-

reaus have under existing law, including disputes already submitted to and resolved by the furnisher or a credit bureau. The furnisher is required to provide the consumer whose dispute it rejects as frivolous or irrelevant with a notice stating the reasons for that determination and identifying any information required to investigate the disputed information.

Third, the manager’s amendment gives direction to the Federal regulators who are required to promulgate regulations establishing effective dates for various provisions of the bill to take into account the need for an orderly transition to a system in which consumers will be able to request a free credit report annually, to avoid overwhelming the credit bureaus and impeding their ability to satisfy time-sensitive requests for reports within the 2- to 12-month effective date provided in the legislation.

Let me again thank the ranking member, the gentleman from Massachusetts (Mr. FRANK), for the cooperative spirit in which he and his staff have worked with us since the committee’s markup to make these important improvements to what was an already outstanding piece of legislation. I urge all of my colleagues to support the amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I support this amendment. It is better than we got. It is not all I want, but it improves the bill, as is appropriate for this particular form of a non-controversial amendment in a technical way. It embodies some improvement in the situation vis-a-vis the retroactive California preemption that was embodied in the colloquy.

The colloquy that the gentleman from Alabama and the gentleman from Ohio and I had is really an explanation of what is in this particular manager’s amendment, I think it will improve the bill, and I urge it be adopted.

The CHAIRMAN. The question occurs on the amendment offered by the gentleman from Ohio (Mr. OXLEY).

The amendment was agreed to.

The CHAIRMAN. Are there further amendments?

AMENDMENT NO. 8 OFFERED BY MS. WATERS

Ms. WATERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Ms. WATERS: Page 7, line 15, insert “(a) IN GENERAL.—” before “Section”.

Page 7, after line 24, insert the following new subsection:

(b) SPECIFIC EXCEPTIONS.—Section 624 of the Fair Credit Reporting Act (15 U.S.C. 1681t) is amended by adding at the end the following new subsection:

“(e) SPECIFIC EXCEPTIONS.—Subsections (b) and (c) shall not apply to—

“(1) the California Financial Information Privacy Act (division 1.2 of the California Financial Code, as in effect after June 30, 2004); or

"(2) the Consumer Credit Reporting Agencies Act of California (sections 1785.1 through 1785.36 of the California Civil Code)."

Ms. WATERS. Mr. Chairman, first let me say that the gentleman from Ohio (Chairman OXLEY) and the ranking member, the gentleman from Massachusetts (Mr. FRANK), worked very, very hard to get a bipartisan bill to bring everybody together, along with the gentleman from Alabama (Mr. BACHUS). I think everybody put their best foot forward on this legislation, and I am just sorry that I am not able to support the bill simply because I have to protect California.

I think there was a misunderstanding somewhere along the way. I made lot of inquiries about whether or not post-1996 legislation or laws were protected in this bill. I was led to believe that they were protected, but now I find that they were not protected, and what we stand to do is literally undo or preempt much of the good consumer legislation that has been produced in my State. So I must object to the permanent preemption provisions that are proposed in this bill, the Fair and Accurate Credit Transaction Act.

I believe that the States should be free to adopt more extensive consumer protections than those that are provided in this Fair Credit Reporting Act. I believe that the national standards contained in the Fair Credit Reporting Act should be the floor, not a ceiling, on the protections available to consumers. States should have the right to provide additional protections.

I will ask my colleagues on both sides of the aisle, do any of you know what the next major consumer problem will be in the year 2010? In 1996, when the amendment to the Fair Credit Reporting Act was established, identity theft was not even on the radar. We had never even heard of identity theft. The idea that someone would violate a person by stealing their identity and accessing their financial records was not an issue we were familiar with. Now it is the fastest growing consumer complaint to the FTC, with over 200,000 complaints in 2002 alone.

As Californians, our laws on such emerging consumer issues as identify theft represent the gold standard in consumer protection, and that is why I am asking for support on an amendment to carve out all of California laws enacted since the passage of 1996 amendments to the Fair Credit Reporting Act from preemption provisions contained in the bill.

There has been an attempt, well, I do not know what happened, but, again, there was a misunderstanding, and I was misled. All of the consumer protections that were enacted after 1996, with the exception of California Civil Code 1785.25(a) regarding furnishers, are preemptable. So, I have a long list.

For example, let me tell you what is preempted. Consumer reporting agencies must disclose the names and addresses of all sources of information used in Consumer Reports. That is

California law, now preempted if this passes.

California also requires consumer reporting agencies to, with a reasonable degree of certainty, match at least three categories of identifying information within the consumer's file with the information provided by a retailer. The categories of identifying information may include the consumer's first and last name, month and date of birth, driver's license number, place of employment, current residence, previous residence, or Social Security number. This effectively reduces a successful attempt at identity theft and reduces the chances for mistaken identity.

Another preemption, a consumer has the right to receive his or her credit score, the key factors in any related information. Another preemption.

A consumer would be able to have a security freeze placed on his or her credit report by making a request in writing by certified mail with a consumer credit reporting agency. A security freeze prohibits the consumer reporting agency from releasing the consumer's credit report or any information from it without the expressed authorization of the consumer. It would preempt it.

Upon receipt from a victim of identity theft of a police report or valid investigative report, a consumer reporting agency must provide a victim of identity theft with up to 12 copies of their credit report during a consecutive 12-month period free of charge. It is very hard to straighten up this identity theft. Sometimes it takes 3 to 4 years. But if you are getting that credit report every month and you can compare what has been taken off, what has been left on, where the mistakes are, you can wind out of this thing.

With strong consumer protections, Federal preemption of States would not be necessary because Federal law would be the floor, rather than the ceiling.

Then, again, as all of you are aware, this past August, California signed into law SB1, which provides strong consumer protections that should be the law of the land. You are going to hear more about this in an amendment additional to mine that will be presented.

But, again, let me just say that whatever the mistakes were, I should have been involved in the manager's amendment to correct these problems. I have not been placed in there. So I do not know what we are going to do, but I ask my colleagues to please consider what has been done here.

Mr. OXLEY. Mr. Chairman, I ask unanimous consent that debate on this amendment and any amendments thereto be limited to 20 minutes, equally divided and controlled by the proponent and opponent.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. SHERMAN. Reserving the right to object, the gentleman's unanimous

consent applies to this one amendment?

Mr. OXLEY. Mr. Chairman, if the gentleman will yield, yes.

Mr. SHERMAN. Mr. Chairman, I withdraw my reservation of objection.

Mr. FRANK of Massachusetts. Mr. Chairman, reserving the right to object, because this came afterwards, what happens to the 5 minutes just used? Is it subsequent to the 5 minutes the gentleman just used?

Mr. OXLEY. Mr. Chairman, if the gentleman will yield, that is fine with me.

Mr. FRANK of Massachusetts. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. The unanimous consent request is that further debate on this amendment be limited to 20 minutes.

Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The gentleman from California (Ms. WATERS) will control 10 minutes and a Member in opposition will control 10 minutes.

Mr. OXLEY. Mr. Chairman, I designate the gentleman from Alabama (Mr. BACHUS) to control the 10 minutes on this side.

The CHAIRMAN. The gentleman from Alabama will control the time in opposition.

Ms. WATERS. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Chairman, I want to acknowledge that the gentleman from California is absolutely correct. She did call to my attention during this discussion on this bill the potential problem that she learned about of a retroactive preemption. I missed it. I made a mistake in this case. She was correct and we should have spotted it. I think it is incorrect.

I want to make clear we are talking about two separate issues here on the preemption. There is the preemption prospectively of what is known as SB1. That is not what is at issue here. There will be a second amendment on that.

This has to do with laws that were passed by California subsequent to 1996 that were not subject to preemption at the time that would now be retroactively preempted. I think that is a mistake.

I should note that the gentleman read a list of preemptions. In many of the cases I acknowledge what is preemptive does provide some protection. In other words, it is not a case where there is a preemption, all protections are wiped out. In some cases, the protections are functionally equal. In other cases, they may be somewhat different. But these are laws that had been on the books in California. My view was that this bill ought to go forward with the existing preemptions, with some new consumer protections. It was not my intention to extend the preemptions. Through failure to spot

the meaning of some particular words, I must concede that this happened.

□ 1615

I regret that. We have tried in conversations to undo it. We have in the manager's amendment undone some of it, but not enough of it. But as I said, there are still some of the sections preempted and are replaced by other protections, so it is not a case where there will be no protections at all; but it does seem to me still that there are some rollbacks of California law that were unnecessary.

So as a matter of fairness to California, I do not think we should have been preempting without full knowledge.

Now, I do not mean to say that anybody did anything inappropriate. I should have been clearer about what was happening and we simply failed to spot the meaning of four words; that sometimes happens. I support the gentlewoman's amendment. I think the California laws are substantively wise, but that is not the primary point. My primary point is that we should not be here retroactively preempting what a State has done. That is very different than the future of SBI. We will talk about that later.

So I strongly support the gentlewoman's amendment; and throughout this process, because this bill is a long way from being sent to the President, I will continue to do what I can. She is correct, she and the other gentlewoman from California who serves on the committee called this to our attention, they deserved a better response than they got; and I will do everything I can now to correct the error that we made.

Mr. BACHUS. Mr. Chairman, I rise in opposition to the amendment, and I yield myself such time as I may consume.

Mr. Chairman, let me first stress that the legislation before us on which we are having an amendment by the gentlewoman from California now, and we will have one from the gentleman from Vermont which will follow that, I first want to say to them that there are many important consumer protections in this bill: free credit report, fraud alerts, the one-call-does-it-all, protecting of health information. And I want to commend both of the gentlewomen for their participation in that. So I do want to say that several of their suggestions, several of the things that they advocated are in this legislation.

To the gentlewoman from California, I rise in opposition to disregarding a national uniform standard in the case of, and this amendment covers two different acts; one of them because the act before us simply does not address a lot of the Gramm-Leach-Bliley things that this legislation did not address. I think this Congress will, at some point, take up a review of those things. The second one does deal with ID theft; it is the California legislation that was just passed.

This legislation before us today, if it passes, Californians will have important new protections in ID theft cases. And I think we all, no matter how we feel about the gentlewoman's amendment, I hope we can all agree on that. We do think that this amendment really strikes at the essence of this bill; and that is a broad, uniform standard where what is done in California meets the test of what is done in Alabama, and what is done in Alabama meets the test of what is done in Ohio. If we apply different standards to fraud alerts, if we require different standards of credit reporting agencies or reports, there is so much interaction here between States. It simply drives up the expense, when California, representing a fourth of this Nation, can impose its own standards on a national issue in which, on a daily basis, millions of transactions are crossing State lines.

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

Ms. WATERS. Mr. Chairman, I yield myself 1 minute to explain to the gentleman that this is not an imposition on the rest of the country; this is a carve-out for California. This is a protection for what we have already done. We have protections in the law from 1996; and what we are saying is, you should not have national standards that are less than what we have produced in California. I have tried to protect that. I thought that I had. And as our ranking member said, a mistake was made. We thought, based on the representations of everybody, that it had been protected. And now I am here with an amendment that simply says, leave California alone and allow the better consumer laws to stand in California. Do not preempt these laws with standards that are less than what we have in California.

Mr. BACHUS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, is the gentlewoman talking about cases in identity theft? Is that what we are talking about?

Ms. WATERS. No. As the ranking member tried to explain, there are two different issues here today.

The CHAIRMAN. The time of the gentlewoman has expired.

Mr. BACHUS. Mr. Chairman, I yield the gentlewoman 1 minute of my remaining time.

Ms. WATERS. Mr. Chairman, there are two different issues here. When we did this work in committee, we thought that we had protected the consumer laws that were made in California after 1996; and everybody, all of our staff people, everybody thought so, on both sides of the aisle.

Mr. BACHUS. As to identity theft?

Ms. WATERS. No. I just read a number of them a few minutes ago in my presentation that had to do with some other laws, with credit reports and some other kinds of things.

Mr. BACHUS. Well, the amendment deals with two specific acts.

Ms. WATERS. Yes.

Mr. BACHUS. One of those acts was just passed by the California legislature in the past few days.

Ms. WATERS. Yes. That is the latter part. That is the latter part of this amendment. But the amendment that I am speaking to now is the one where I said consumer reporting agencies must disclose the names and addresses of all sources of information. California requires consumer reporting agencies to, with a reasonable degree of certainty, match at least three categories identifying information. I read a list of items that had been preempted that none of us thought had been preempted, and I am trying to carve out for California and put them back in.

Mr. BACHUS. Mr. Chairman, how much time remains?

The CHAIRMAN. The gentleman from Alabama (Mr. BACHUS) has 6 minutes remaining; the gentlewoman from California (Ms. WATERS) has 6 minutes remaining.

Ms. WATERS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, first let me just say I do rise in strong support of the Waters amendment to protect Californians', Californians' mind you, financial privacy laws and identity theft provisions. I applaud my colleague from California for her leadership on this issue, for identifying a mistake that was made, and really for just trying to correct it in a very rational way. That is what this amendment does. It corrects a mistake that was made. This bill is a bipartisan bill. We all wanted to support it; but coming from California, the gentlewoman has figured out a way that we should support this, and it would be a win-win for all of us.

The FTC, Mr. Chairman, reported on September 3 that 27.3 million Americans have been victims of identity theft in the last 5 years, including 9.91 million people, or 4.6 percent of the population in the last year alone. Now, these are epidemic levels, and we must do everything we can do to prevent identity theft and to help the victims of this horrendous crime. That is why this amendment is so important. It would preserve very important California laws on identity theft. These are California laws.

Let us be clear. If we do not adopt the Waters amendment today, Californians will lose vital identity theft provisions currently provided in California law. Victims of identity theft will lose the right to a free monthly credit report. Victims of identity theft will lose the protection of California's law providing the right to correct a credit report with a police report. Victims of identity theft will lose the protections of California's law requiring credit bureaus to place a fraud alert within 5 business days of receipt of a request from the consumer. And the list continues. In total, seven existing California laws would be wiped out by this bill and another four will probably be

eliminated. It really simply defies logic to kill these existing California protections for the victims of identity theft when we are facing a growing identity theft crisis in our State.

Again, I thank the gentlewoman for her leadership. I thank her for offering this fix to this very important bill, and I hope that we all can support this correction of a major error that was made.

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

What this amendment does, first of all, it addresses two things; one is SB1 that was just passed in California. And as to affiliate-sharing, that is what is preempted by this legislation. But the present preemption, what we are doing is, we are taking a preemption that presently exists in the law and we are extending it as of January 1. So SB1 as to affiliate-sharing, you cannot do that today in California. You would be, if FCRA was not renewed.

Now, the second component that you have here is California's version of FCRA. And what that would do, the Waters amendment would not only allow California to change its law on an ongoing basis, but beyond what we grandfathered today, and we are grandfathering some of those protections, but it would also resurrect certain laws that are preempted today.

Now, as to a uniform standard, and I want to go back to what we posed to Treasury and what their response was in testimony before our committee, why should uniform national standards be extended to include matters that are designed to help fight identity theft? Why should not States be able to adopt stricter anti-ID theft measures?

Now, since that time, in the manager's amendment, we have allowed a lot of those as long as they do not affect the operation of the FCRA, and the answer that we got from the Federal Reserve, from the Treasury, from the FTC was that it would literally cost millions of dollars; that it is important to have national uniform standards for identity theft prevention measures.

For example, section 202 of the act calls for the development of a national fraud alert system. This requires the credit reporting agencies that operate on a nationwide basis to allow consumers to place various types of alerts in their credit reports when they are victims of identity theft. Now, we require certain things to go into those alerts. If California requires other things, then a company doing business in Ohio or Alabama or New York would not only have to comply with that law, they would have to comply with the California law if they had customers or consumers in California. Merchants dealing with California consumers would not only have to comply with the national law, they would have to worry about the law in all 50 other States with credit reports.

□ 1630

We would have a gradual erosion and chipping away of our national system.

And we took volumes and volumes of testimony how the person most penalized by this would be the consumers in paying higher interest rates, also in being a less effective national standard. We would also discourage people from using the National Uniform Credit System to report and to furnish information if they thought they not only had to comply with a national law but a California law.

Finally, philosophically, when California is able to basically define what FCRA will be, then California imposes its will on the national policy. And we have to have a national policy. We have representatives of California here. In fact, probably one-fifth of this body is made up of California representatives, or one-sixth. They participated in this.

I anticipate that when this final vote is taken, the vast majority, as in committee, of Californians will vote for this legislation. But we simply cannot allow any State to dictate how this system will operate in Alabama, Ohio, New York or to impose additional requirements and costs on consumers in California or Massachusetts or other States. Simply put, this amendment, it sounds good but it strikes at the very efficiency, the cost efficiency, of our national credit reporting system. It bogs it down.

I will conclude with this: California recognized this when they preempted the law of several large cities in California who had attempted to impose their own standards simply by saying we cannot. The cost of cities and counties imposing their own standard would be prohibited. California ought to see that that logic also applies on a national level.

Governor Davis, I believe, initially bought into this. Initially when this legislation, some of this legislation was proposed, he did not sign it. He did not support it. He is now facing a recall in a few weeks, but I am not sure that is the time to judge what ought to be done in the middle of a politically expedient campaign.

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

Ms. WATERS. Mr. Chairman, how much time is remaining?

The CHAIRMAN. The gentlewoman from California (Ms. WATERS) has 4 minutes remaining. The gentleman from Alabama's (Mr. BACHUS) time has expired.

Ms. WATERS. Mr. Chairman, I yield 2 minutes to the gentleman from Vermont (Mr. SANDERS).

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

Mr. SANDERS. Mr. Chairman, I thank the gentlewoman for yielding me time.

California may have one-sixth of the Members in this body, Vermont does not. I am it and I rise in strong support of the Waters amendment.

The issue of preemption was hotly debated in the Committee on Financial

Services, and on one side of that issue was virtually every consumer organization in America. Groups like the Consumer Federation of America, the U.S. Public Interest Research Group, Consumers Union, and many others. And some of us in the committee supported these consumer organizations, making the point that the gentlewoman from California (Ms. WATERS) just made. That in the nature of our government, we are the United States of America, there are 50 States in our country. And sometimes one State does something really good and a whole lot of other States learn from that State. And that is one of the reasons that we have a creative form of government with a lot of ideas that are flowing.

On the other side of that debate, of course, were the credit card companies and the banks. And let us be clear, they do not want strong consumer protection. They are the people who are charging individuals in this country 25 percent interest rates on their credit cards. They do not want to see governors and legislatures and attorneys general stand up strongly and protect consumers. So what ends up happening is that we have a national bill which has admittedly some good provisions in it, but at the same time, it takes away the ability of 50 States to go further.

So the gentlewoman from California (Ms. WATERS), the gentlewoman from California (Ms. LEE), and I and many others were fighting for higher Federal standards, more consumer protection, but at the same time, give California the right to go forward.

It is inconvenient. Well, democracy is inconvenient. Alabama does some things. Vermont does some things. We live together. We learn from each other. We argue with each other, but we do not take away, we should not take away the rights of the States to go further. I support this amendment.

Mr. Chairman, I support the amendment offered by Congresswoman WATERS. This amendment would simply allow the 7 Fair Credit Reporting Act preemptions to expire, as Congress intended, on January 1, 2004 in order to allow the 50 states of this country to pass stronger consumer protection laws to improve the accuracy of credit reports and to aggressively fight identity theft.

I should note right off the bat that every major national consumer group in this country including the Consumer Federation of America, the U.S. Public Interest Research Group, Consumers Union, and the National Consumer Law Center all vigorously oppose state preemption. I would also like to tell you that the National Association of Attorneys General, representing all 50 States of this country, unanimously passed a resolution opposing the 7 FCRA state preemptions.

Mr. Chairman, you know my views on this subject. If my State of Vermont or your State of Ohio wants to pass laws that are stronger than the Federal Government's, we should give States that right. The States are the laboratories of Democracy. You know what happens here. If there is a particular identity theft crisis in Colorado and the Colorado State Legislature passes a law to correct this problem,

and it works, what happens? Pretty soon, California may pass the same law. Then Nebraska. Then Maryland. And, eventually it filters up to the federal government and we have a good national law on the books. But, if this legislation is signed into law, we would permanently prevent the States from taking this action. We hear a lot of talk from conservatives about protecting the States and the American people against the big, bad and intrusive Federal Government. Well, call me a conservative on this issue because I believe that the 50 States in this country should be able to pass their own laws and should not be pre-empted by the Federal Government from passing stronger laws that protect consumers. So, I would say to my conservative friends on the other side of the aisle, vote for my amendment. It is consistent with your philosophy on the role of the government.

And to my Democratic friends on this side of the aisle, I ask all of you to vote for this amendment as well. Let us not forget that just last week, during a recent mark-up of the Securities Fraud Deterrence and Investor Restitution Act (H.R. 2179) in the Capital Markets Subcommittee, virtually every Democrat voted against preempting the states from taking strong enforcement actions against Wall Street firms that defraud investors. I agree. The 50 States of this country should not be prohibited from aggressively punishing corporate wrongdoing.

Today, we are dealing with the exact same issue: state preemption. But, this time it deals with consumer protection. Just like we should not prohibit States from aggressively punishing corporate wrongdoers, to my mind, we should also not permanently bar the states from aggressively punishing identity thieves and improving the accuracy of consumers' credit reports. Therefore, I hope my Democratic friends will vote for this amendment as well.

Mr. Chairman, as we all know, the newspapers are filled with horror stories about the harm being done to consumers by identity thieves. This problem is compounded by the shabby job done by the credit reporting system in ensuring that consumers' credit reports are accurate and up-to-date. States have been at the forefront of the effort to stop identity thieves and to clean up the credit reporting industry. The federal government should be a partner in that effort but should not pull the rug out from under the states. There is no greater impediment to consumer credit than a credit report full of errors. There is no reason to tie the states' hands.

We have heard from the financial services industry and the major credit bureaus that if we don't extend these state preemptions, the entire credit system will collapse. But, let us not forget, we had a national credit system before the 1996 state preemptions were inserted, and it worked well. For example, one of the witnesses that we heard from on this issue from Juniper Bank who supports preemption cited a study that showed "in 1990, more than 70 percent of credit card balances were being charged more than an 18 percent annual interest rate. By 1993, only 34 percent of credit card balances were being charged more than 18 percent interest."

Great study. All of the benefits to consumers just happened to be 3 years before the 1996 preemptions were enacted.

Another supporter of state preemption who testified at our first hearing from the Informa-

tion Policy Institute pointed to another study that showed that credit card prices "declined by almost 35 percent between the first quarter of 1984, and the fourth quarter of 1996," saving consumers "about \$30 billion per year."

Again, great study. All of the benefits to consumers happened to occur before the 1996 state preemptions were enacted.

In addition, the 1996 FCRA amendments specifically grandfathered stronger consumer protection statutes in California, Massachusetts and Vermont from pre-emption. What have we seen in these 3 states that have stronger consumer protection laws in regards to credit reporting? We have seen that my State of Vermont now has the lowest rate of consumer bankruptcies in this country; the State of Massachusetts has the second lowest consumer bankruptcies in the United States; and California comes in ahead of the median. At a time when the United States as a whole experienced the highest rate of bankruptcy cases in history, increasing by 23 percent since 2000, I would say that these three examples gives us proof that stronger State consumer protection laws work.

What about mortgage rates? Well, the most recent data indicate that the State of California has the lowest effective rate for a conventional mortgage in the nation, and Vermont and Massachusetts were well below the median. Sounds pretty good to me.

In addition, let us not forget why the 1996 FCRA amendments were enacted. While identity theft complaints have been the number one complaint to the FTC each year since 2000, and in fact doubled from 2001 to 2002, it was credit bureau mistakes which were the number one complaint to the FTC 10 years earlier. And it was credit bureau mistakes, and complaints about them, that led Congress to the 1996 FCRA amendments. From 1990-92, according to a study by U.S. PIRG, mistakes in credit reports were the number one complaint to the FTC. What will the new crisis be? We don't know for sure. But, if we permanently preempt the States from acting on future problems, we will do this country a great disservice.

Moreover, if some of the new members don't believe Congress intended these preemptions to sunset, I would refer them to the floor statement of the former Ranking Member of the Banking Committee and former Republican Congressman from California Al McCandless who had this to say during the floor debate on this bill:

"The issue over whether the Fair Credit Reporting Act should preempt more stringent State laws or whether it should permit States to enact tougher credit reporting statutes has been one of the single toughest issues for the Banking Committee to tackle. On the one hand, many of our Members like the idea of a national uniform standard. On the other, we do not want to tie the hands of State legislatures. I think that this compromise bill resolves the issue of preemption to most everyone's satisfaction. The Fair Credit Reporting Act as amended by this compromise bill, will be the law of the land for the next 8 years. It will provide consumers across the country with greater protection than is currently offered by any existing State statute. A uniform national standard will make compliance more straightforward and will facilitate the extension of credit to consumers. States will be able to enact more stringent legislation if necessary after 8 years."

Let me repeat, "States will be able to enact more stringent legislation if necessary after 8 years."

That's what was said by the top Republican on the Banking Committee on the floor of the House when a compromise was reached on this bill. Let's stick to that compromise and support this amendment.

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

Mr. Chairman, I think I made the case as clearly as it can be made. I was told by everybody that certain California laws after 1996 were protected. Now I find that they have been pre-empted. And I really do not think it is fair that I find myself here on the floor today having the laws of my State pre-empted and a manager's amendment that does not attempt to correct it.

I suppose I believe that my ranking member is going to do everything he can, I guess working in conference somewhere, to try and give back the protections that we have in California. I have always maintained that the Federal standard should be the floor. If any State would like to protect its consumers more, who is the Federal Government to tell them they cannot do it? That is wrong.

I do not buy the argument that it is inconvenient for some bank or financial institution to have to deal with California, because California has better consumer laws, and they would just rather be able to deal with them the same way that they deal with everybody else.

I do not think it is fair, and I do not think we should use the powers of our government to do that.

Let me just say this, that knowing that I was today that we were not pre-empted, and this does not have anything to do with SB1, I am talking about those laws that I referred to. Knowing that I was told that, I would expect my colleagues, who have worked pretty well on both sides of the aisle, to try and get a bill that everybody could support, that you would at least represent to me that you are going to try and undo the mistake. That you are going to try.

Mr. BACHUS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from Alabama.

Mr. BACHUS. I will say this: Yes, there are provisions of California law that were pre-empted, but they are provision where we established a consumer protection on a national basis. And in almost every one of these cases, we went beyond what most States do.

Ms. WATERS. Reclaiming my time, we have to compare it issue-by-issue and then determine whether or not, in fact, you have done better or you have done worse.

The CHAIRMAN. All time for debate on the amendment offered by the gentlewoman from California (Ms. WATERS) has expired.

The question is on the amendment offered by the gentlewoman from California (Ms. WATERS).

The amendment was rejected.

The CHAIRMAN. Are there any further amendments?

Mr. OXLEY. Mr. Chairman, I ask unanimous consent that debate on the following amendments, and any amendments thereto, be limited to the time specified equally divided and controlled by the proponent and opponent as follows:

The amendments numbered 2, 5, 7, 9, and 10 in the CONGRESSIONAL RECORD shall be debatable for 10 minutes;

The amendments numbered 1, 6, 11, 12, and 16 in the CONGRESSIONAL RECORD shall be debatable for 20 minutes;

And the amendments numbered 15 and 4 in the CONGRESSIONAL RECORD shall be debatable for 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

Mr. SHERMAN. Reserving the right to object, Mr. Chairman, I thought that the Lee-Sherman amendment was getting 40 minutes equally divided. I could be wrong on that. What was the agreement?

Mr. OXLEY. Thirty minutes, Mr. Chairman.

Mr. SHERMAN. Mr. Chairman, would the gentleman mind having the Lee-Sherman amendment given 40 minutes?

Mr. OXLEY. What number is that?

Mr. SHERMAN. Number 15.

Mr. OXLEY. Number 15? I would give it 35 minutes. How is that for a compromise?

Mr. SHERMAN. That is a wonderful idea, Mr. Chairman.

Mr. OXLEY. Mr. Chairman, I amend my unanimous consent request to make the amendment number 15 debatable for 35 minutes.

The CHAIRMAN. Is there objection to the request with the addition that amendment number 15 be debatable for 35 minutes equally divided?

There was no objection.

The CHAIRMAN. Are there further amendments?

AMENDMENT NO. 15 OFFERED BY MS. LEE

Ms. LEE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 15 offered by Ms. LEE:

Page 7, after line 24, insert the following new section:

SEC. 102. FINANCIAL PRIVACY EXCEPTIONS.

Section 624 of the Fair Credit Reporting Act (15 U.S.C. 1681t) is amended by adding at the end the following new subsection:

“(e) FINANCIAL PRIVACY EXCEPTIONS.—Subsections (b) and (c) shall not apply to the California Financial Information Privacy Act (division 1.2 of the California Financial Code, as in effect after June 30, 2004) or the law of any other State that is similar to the California Financial Information Privacy Act.”

The CHAIRMAN. The gentlewoman from California (Ms. LEE) will be recognized for 17½ minutes and a Member opposed will be recognized for 17½ minutes.

The Chair recognizes the gentlewoman from California (Ms. LEE).

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

Mr. Chairman, first, let me thank the gentleman from Ohio (Mr. OXLEY) and the ranking member, the gentleman from Massachusetts (Mr. FRANK) for their diligent work to really make this a bipartisan bill. Of course, I cannot support it as long as it preempts California and that is what it does.

I offer this amendment today on behalf of all Californians and all Americans, really, who deserve and want to take back control of their private financial information. And I want to thank my California colleague, the gentleman from California (Mr. SHERMAN), the gentleman from California (Mr. FARR), the gentlewoman from California (Ms. WATERS), the gentlewoman from Illinois (Ms. SCHAKOWSKY), the gentleman from Massachusetts (Mr. MARKEY), and all of those who have been working on this very, very important issue and this important amendment.

Mr. Chairman, our amendment would make a major step towards reclaiming consumers' financial privacy by doing the following: First, it protects California's recently enacted landmark Privacy Act; and, secondly, it allows every State to enact financial privacy laws giving consumers in those States similar protections to Californians, which, of course, is the strongest in the Nation, if they so choose, only if they so choose. For those of you who are not fortunate enough to hail from the great State of California and may not be familiar with California's new law, let me just provide a little bit of background.

What does the new privacy law do? It gives consumers the right to stop the sharing of information by financial institutions, unless they meet very stringent criteria. The law requires financial institutions to obtain a consumer's affirmative consent before sharing information with most third parties. It also provides standards for consumers to receive clear notice of their rights.

Now, how did this groundbreaking law come about? Well, it was the result of a long hard fight and it is a major effort by California State Senators, Jackie Speier and John Burton. And I really want to thank them for their tireless effort in working with the financial institutions in California to come up with this arrangement, this compromise, this law which really did result in resounding bipartisan support for the bill SB1, which passed the California Senate by a vote of 31 to 6 and passed the assembly by a vote of 76 to 1.

Yes, I also want to thank Governor Davis for really standing up for California consumers by signing this bill. But it is very important, I believe, to recognize the critical role California consumers played in the fight for new and strong financial protections because in the end it was this broad sup-

port and the very hard work of California consumers that pushed the bill forward.

In fact, I want to cite a January California opinion poll to demonstrate the overwhelming popularity for a strong financial protection. Now, the poll found that 91 percent of individuals supported a ballot initiative that will require a bank, credit card company, insurance company or other financial institutions to notify a consumer and to receive a customer's permission before selling any financial information to any separate financial or non-financial company. The support was strong regardless of party affiliation: 96 percent of Democrats, 88 percent of Republicans, 90 percent of Independents. Clearly, financial privacy is not a partisan issue.

Now these groundbreaking, popular, hard-won protections which were negotiated with our financial institutions in California are threatened because of this bill before us today. Let us be clear, this bill does preempt California law. And what does that mean? That means that important California protections will just basically be wiped out. In fact, it means that Californians will never see parts of the law that was signed by the governor. And it means that the will of an overwhelming majority of Californians will be overturned by what we are doing today.

We cannot allow that to happen. We have an obligation to stop that and this amendment would do exactly that. And just like we have an obligation to stand up for all of our consumers today, we are standing up for our California consumers. We have an obligation to stand up for consumers, as I said, all across the country so that they have the opportunity to protect and to control their intimate financial details.

□ 1645

Consumers in California are no different than consumers everywhere when it comes to their financial privacy. Strong protections are what they seek and what they deserve.

I want to take a moment to address some of the inflated and really irrational concerns that have been raised about our amendment. It will not bring commerce to a grinding halt. It will not mean an end to affordable mortgages, and it will not leave more minorities without access to credit. It will not put an end to ATM machines, and it will not ruin the credit system as we know it.

It will merely require banks and insurance companies and other financial institutions to ask California consumers before they share and sell their private information. It will merely allow consumers and other States to benefit from similar protections in the future if they determine that it makes sense for them.

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

The CHAIRMAN. Does the gentleman from Ohio (Mr. OXLEY) claim the time in opposition?

Mr. OXLEY. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio (Mr. OXLEY) is recognized.

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

Mr. Chairman, I rise in opposition to the amendment and this really strikes at the heart of what we are trying to do in this legislation to provide national uniformity of our credit system. The Lee amendment would destroy the national uniformity with respect of the ability of the financial institutions and others to share information among affiliated entities.

The Lee amendment does not affect only Californians. Would that be the case, I would not be as particularly concerned, but by grandfathering the California law with respect to affiliate sharing, the Congress would actually abdicate its obligations by allowing California to set the national standard with respect to affiliate sharing. I suggest to my colleagues that that is the responsibility of the national legislature, indeed the Congress.

In essence, many financial institutions will not be able to adhere to multiple sets of rules with respect to affiliate sharing. Then what happens? Some or many will simply adopt the California requirements as the national standard, and ultimately, it becomes California setting national standards, and while I have a great deal of respect for my colleagues from California and the Golden State, I do not think it is a responsible position for the Congress to abdicate that responsibility to the Golden State.

So the question is not necessarily whether there will be a national standard but, in fact, who will set it, and ultimately, the Constitution provides the ability of the Congress to set those national standards.

The Lee amendment also would allow any other State to adopt its own laws with respect to affiliate sharing. Therefore, financial institutions and consumers could find themselves attempting to understand dozens of State laws pertaining to affiliate sharing. The actions dealing with privacy in California should not impact the Federal debate on FCRA, and this is important to understand. The affiliate sharing provisions in the California law are preempted by the existing provisions of FCRA today. So they will be essentially null and void whether Congress reauthorizes the FCRA or whether it does not.

The understanding among all parties in California was that the affiliate sharing provisions would be invalidated under the existing FCRA national standard. The negotiations on the California law and the shift of several companies positions in opposition to neutral was based on opposition to a State-wide referendum and was part of the negotiations that went on in the California legislature. That is not unusual in today's making of laws in any particular State.

In short, grandfathering California law and future laws in other States

guts our national uniform standards and harms consumers across the country, could cause an increase in interest rates, inability to get credit, precisely the opposite of what we are trying to do in this legislation. That is why this legislation passed 61 to 3 in the Committee on Financial Services. That is why we have a broad base of support for this legislation across the aisle, among all sections of the country, why we have had strong leadership from both sides of the aisle on this important legislation.

We do not need at this point to get in a situation where we have a rush by other States to simply gut our national standards. That is not what we are about in this body, and all of us who have supported this legislation, who probably cosponsored and voted for it in committee and sent letters, Dear Colleagues, out supporting this legislation need to understand that this is a killer amendment to what we are trying to do in the underlying legislation, and that is why this amendment should be defeated.

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

Ms. LEE. Mr. Chairman, I yield 5 minutes to the gentleman from southern California (Mr. SHERMAN), cosponsor of this amendment.

Mr. SHERMAN. Mr. Chairman, I thank the chairman for arranging an extra 5 minutes to debate this important amendment. It is our intention to offer it, and then withdraw it at the end of this discussion, in the hopes that these issues can be dealt with effectively in conference. By withdrawing the amendment at the end of this discussion, we will save the House at least 30 minutes as compared to a recorded vote, thus giving my colleague a six-time return on his investment.

This is a good and necessary bill. We have an amazing credit system in this country where a bank on the east coast will compete for the opportunity to lend money to somebody on the west coast who they have never met; even when none of the banks' employees knows anyone who knows the borrower. Imagine that compared to where we were in this country 100 years ago, when it took a personal relationship with a banker to get a loan. This is an amazing system, and it can exist only with national credit reporting that borrowers and lenders can rely upon and only with a national system that regulates that national credit reporting.

But in our effort to have national standards, which our friends on the other side of the aisle have explained the importance of, we should not reach the lowest common denominator. Instead, we need to look at what the States have done to protect their consumers and try to have a national standard that is at least as high, or at least addresses each of the different consumer protection issues. So, this bill needs to be compared to California

law to see whether it achieves that, or whether it might achieve it at the end of the conference.

There are two sets of consumer protections in California law. The first is known as the pre-SB1, pre-Speier's bill protections. In this area, we from California had been told that none of the California pre-SB1 protections would be preempted. But in fact, they were. However, the violence done by that preemption is perhaps not as great as some of my colleagues have pointed out because in many of the cases where California law was preempted, it was replaced by a national standard that was just as good for consumers, even if slightly different in form.

For example, there is the California requirement that consumer reporting agencies must disclose the names and addresses of all sources of information in the consumer report. That California law is preempted but replaced with an even stronger Federal law that not only requires that, but, (I thank the chairman for accepting my amendment in committee), also requires that the phone numbers, as well as the addresses, of those who provide that consumer information be provided in the consumer report.

So it is important that in conference, we take a look at all the pre-SB1 California provisions, make sure that whatever protections a Federal law preempts, are replaced by equally strong consumer protections.

In a few areas that is not the case, and I am confident that in conference, with the advocacy of our ranking member, the gentleman from Massachusetts (Mr. FRANK) and with the chairman of the committee, we will achieve that.

The second set of California Consuming Protections were given to us by SB1, the Speier's bill, which was passed while this Congress was in recess last month. There are several provisions of that bill that are not preempted by Federal law and that will do an outstanding job of protecting Californians, and I commend them to our committee and to the State legislatures around the country. One of those (SBI) provisions, however, would be preempted. That is what is called the opt-out provision dealing with affiliate information sharing.

We are talking about a situation where a person goes to a bank, provides the bank with their financial information, are the bank shares it with their affiliated insurance company or their affiliated stock brokerage company? Good business practice, as well as California law, allows a consumer to instruct their financial institution not to share their information with an affiliated company. I think that is smart business. I commend Jackie Speier of California for writing it into California law.

As we go to conference, hopefully this issue will be addressed. One way to address it is the way Bank of America already addresses it voluntarily, and this would be a compromise. That is to

say, that a consumer should be able to opt-out for purposes of marketing. The consumer would be able to say, Bank, do not have your insurance company call me. If we were able to get that, yes, California consumers might lose a tiny bit, but 280 million Americans would gain substantially.

I look forward to a conference that will assure consumers around this country, and those of California, with enhanced protections.

Mr. OXLEY. Mr. Chairman, may I inquire as to the time left?

The CHAIRMAN. The gentleman from Ohio (Mr. OXLEY) has 13 minutes remaining. The gentlewoman from California (Ms. LEE) has 7 minutes remaining.

Mr. OXLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, Members are back in their office and they are listening to this debate, and one of the things that they may or may not have heard, but if they did, is that both gentlewomen from California may have been misled on this legislation into thinking that nothing in this law preempted California.

I, in fact, went back to the debate at the time that the gentlewoman from California (Ms. WATERS) offered a similar amendment to what is being offered on the floor today, and I want to read to her just by way of refreshing our memory, not to dispute what she says, and quote what she said.

She said, "I, in good faith, would not like to preempt the work of the State of California, the legislators who have spent so much time. Nor would I like to be on record preempting them with supporting this legislation, when I know that we are going to have a ballot measure that is going to be passed. The people of the State of California are going to pass this ballot measure that will give them further protections. I do not believe that a ballot measure should be preempted here at the national level."

She offered this amendment. It was defeated 56 to 6, and then as the legislation passed out of the full committee, the gentlewoman from California (Ms. LEE) and the gentleman from California (Ms. WATERS) joined the gentleman from Vermont (Mr. SANDERS) and voted against the whole thing because, in fact, it did preempt something in California. What is it that it preempts?

The legislation that California just passed did three things. Number one, it required opt-in for third party nonaffiliate sharing. Nothing in this legislation changes that. It had new Gramm-Leach-Bliley privacy notices. Nothing in this legislation affects that. There is only one thing and one thing alone that this legislation "preempts" California, and that is the required opt-out for affiliate sharing, and that is also the present law. So what was passed in California, as far as the required opt-out for affiliate sharing, the citizens of

California did not get anything because the national law today preempts that. It had no effect.

If our national standards expire January 1, yes, they would, but as the gentleman from Ohio (Mr. OXLEY) said, Gramm-Leach-Bliley, we are going to address that next year and look at those affiliate sharing things. In fact, the chairman of the committee in the Senate says he is going to look at them, and I think that he probably will. We may address them in conference, but we did not open up that debate. We did not address it with our hearing.

Ms. LEE. Mr. Chairman, I yield 2 minutes to the gentleman from Monterey, California (Mr. FARR), a real advocate for consumers, a great leader.

Mr. FARR. Mr. Chairman, I thank the gentlewoman for yielding me the time.

I rise in strong support of the Lee-Sherman amendment No. 15, which protects the right of States to defend the privacy of their citizens. As written, this bill would preemptively cancel out the effects of California's SB1. I know it has been mentioned but remember, California, one, is the leading financial State in the United States and has the most number of consumers in the United States, and that bill passed after an incredibly long debate in the legislature, and it was supported by or went neutral by financial institutions who were affected by it, had overwhelming consumer support and was voted out of both Houses on a bipartisan fashion.

□ 1700

So do not take the actions of California lightly. It is a Big Business State, and it did a very remarkable thing by passing this bill. What Members should do now is preempt it. It preempts SB1 but also will nullify a number of existing identity theft laws.

The Credit Reporting Act states that it is a ceiling rather than a floor. I think if you look at what we have done in other legislation in this country where we set the floor in the areas of medical privacy, wire tapping, cable records, video rental record, telemarketing, financial records, and drivers records, Federal law allows the States to provide stronger protections. Why not here?

The Gramm-Leach-Bliley Act explicitly provides for States to enact laws for greater protection for the privacy of personal financial information. If you believe in States' rights and the ability of States to set standards to protect consumers, to protect Americans and their families, then I urge my colleagues to vote "yes" on this very important amendment.

Do not take the actions of California so lightly. It is a very important, remarkable historical act that has been created there; and we ought to allow California to proceed with it.

Mr. OXLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I just think we really need to go back historically in this discussion and take a look at what we were dealing with. I actually hate to say it, but I remember what it was like back before we dealt with uniform standards on credit back when we first started this in 1970. Then in 1996 we went to pure uniformity.

I remember trying to get credit and being told you are going to have to wait for a while before we can do that. I was not the only consumer. Probably 100 percent of Americans or probably 98 or 99 percent were being told they had to wait in order to establish whatever the credit was. Every place you went it was handled separately or differently or whatever.

Congress did something right. Congress did something extraordinarily right when they passed the act initially and then went to the uniform standards with the usurpation of some of the State laws in 1996. I think that is one thing we simply do not want to back off of. Regardless of what is in the California statute, California is the most significant State we have in terms of people and in terms of financial interests, but the bottom line is that to impose the California standards basically on this country could be a problem.

I might also note another reason to vote against this amendment to this legislation is that it states at the end of it: "or the law of any other State that is similar to the California Financial Information Privacy Act." That is a damaging statement because I don't know how you measure "similar to."

Other States could come in and try to do something that would upset the uniformity of what we are doing at the Federal Government level.

What we have done now here in Washington is given every single consumer in this country the opportunity to have a uniform plan so that we know how to get information right away. And with the use of technology that can be done. You can buy a car instantaneously, much less establish credit of a lesser nature some place else.

I think California's attempt to impose restrictions in an area that is completely, totally governed by the FCRA's uniform national standards would be a tremendous error.

We had extensive hearings. I think we need to remember that, too, as we make our decision on how to vote on this amendment. We had over 100 witnesses in very expensive hearings. The chairman and the subcommittee chairman did a wonderful job working with the majority party and our own majority party in terms of developing this legislation.

It did pass overwhelmingly in our committee as everybody understood exactly what we are dealing with. In fact, at that committee another member from California offered an amendment to sunset FCRA's uniform national standards at the end of this

year. And during that debate, a specific appeal to give California the ability to establish its own standards either through action by the State legislature or statewide ballot initiative came up. That amendment was defeated 56 to 6.

So, clearly, the individuals in this body who have looked at this issue carefully understand that to undermine it by allowing States to start to opt out and to have different provisions with respect to the fair credit reporting that we have in the country would be an error.

I would encourage everybody in this body to look at this carefully and to vote "no" on this amendment to make sure that we protect a very good piece of legislation.

Ms. LEE. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. MARKEY), a real leader in this Congress in the fight for privacy rights.

Mr. MARKEY. Mr. Chairman, if the line of juris prudence that we are now operating under is allowed to stand, then we are in a situation in which there is no effective regulation of a bank, an insurance company, or a securities firm sharing of a consumer's personal financial information and no State regulation of such transactions.

In other words, we are left with a regulatory black hole in which neither the Federal Government nor the States are regulating what is going on within this affiliate structure where one part of a firm gets it and then shares it with all of its affiliates, stockbrokers, insurance, you name it. All of the family's secrets are then spread throughout the country and to anyone that is affiliated with them as an independent operator as well.

This is unacceptable. And it means we have no Federal standard for consumer consent regarding affiliate sharing and preemption of any State law dealing with the subject.

What the Lee amendment says is that we should close this black hole so that if the Federal Government is unwilling or unable to effectively address affiliate sharing, sharing it with all the companies which this bank or insurance company or stock brokerage has, taking all their secrets and starting to share it with all these other companies, then the States can do so.

This amendment preserves not only California's privacy statute but the laws of any other State that might want to give their people protection so that their family's secrets are not made a product sold to anyone with enough money to buy what it is that you are doing with your financial life, your stock brokerage, your insurance information.

This is an important issue that our country faces: the privacy of every American. It is why we fought the American Revolution.

Mr. OXLEY. Mr. Chairman, I yield myself such time as I may consume, as I feel compelled to respond to my good friend from Massachusetts in his some-

what overheated rhetoric regarding the revolution, which I know started in his district. And I am also sorry that we did not hear the famous story about his local banker, Mr. Wentworth. I am sure the other Members, who were not on the committee, have not had an opportunity to hear about it. I also am concerned that the gentleman was unable to hear 100 witnesses in eight separate hearings chaired by our good friend, the gentleman from Alabama.

Regulatory black hole? I would invite my good friend from Massachusetts to read this piece of legislation. This is the strongest piece of privacy legislation I would say ever passed, certainly in recent Congresses. That is why we had 61 members of our committee vote for the final product when it came to the final vote.

So I would say to my good friend, this really is crunch time as far as whether we are going to have a uniform standard that can protect consumers, can set out the rights that they have to protect their privacy, to protect their ability to fight off the horrible crime of identity theft, which affects 10 million Americans. That is what this bill is all about.

And we are dedicated to this national standard that has had so much success since the 1996 act. My friend from Delaware points it out so well, of the progress that we have made. We simply cannot allow ourselves to slip back and allow for States to start to move the goal post and to essentially lower those standards so that we end up with the system that we had before 1996, which would result in higher interest rates, less access to credit, and longer waits for credit. We do not want to go back to the bad old days; we want to move forward. And so I would suggest to the Members that that is what this bill is all about.

So, Mr. Chairman, I have great respect for my friend from Massachusetts, and am actually going to yield some of my time to him, since I miss him so much.

Mr. BACHUS. Mr. Chairman, will the gentleman yield for just a moment, before he yields to the gentleman from Massachusetts, because I think it probably has something to do with it.

Mr. OXLEY. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Chairman, the original FCRA that the gentleman from Ohio pointed out was passed in 1996. Right? Not 1776. Is that right?

I will admit to the gentleman from Massachusetts we took absolutely no testimony on the American Revolution and none of our witnesses actually tied that in. But I appreciate his input.

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

Mr. OXLEY. I would be pleased to yield to my good friend, the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, I think the gentleman from Alabama missed the point in the discussion of the gentleman from Ohio where he changed

the metaphor from the American Revolution to moving the goal post, which makes sense. As a graduate of Ohio State, you would try to switch the form of the debate.

But, nonetheless, we have California moving the goal post further away from the consumer, where in the minds of Californians, and most of us who have dedicated our lives to privacy, the California section moves it closer to the privacy objectives that ordinary families have for their personal financial information. And what we are doing here is essentially giving to the big financial institutions the ability to be able to circumvent this increasing interest at the State level of enhancing the rights of families to be able to protect their privacy.

I hope when we get to the conference committee that my cochairman of the privacy caucus, Senator SHELBY, who shares the passion on this issue, will be in disagreement with my colleagues as to whether or not we have reached in this bill the historic high point of where we should be in 2003 in terms of the protection of the privacy of American families.

Ms. LEE. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WATERS), whose diligence on this bill has identified many errors we are trying to correct today.

Ms. WATERS. Mr. Chairman, I would like to thank the gentlewoman from California (Ms. LEE) for all the work she has done on this most important issue.

Mr. Chairman, if anybody had told me that I would be on the floor of Congress arguing States' rights, facing off with a conservative from Alabama, I would have told them they are crazy. But I am here today arguing States' rights on one of the most important issues confronting Americans today, and that is privacy.

Americans do not want people peeping into their bedrooms. They do not want folks eavesdropping on their calls. And they sure do not want financial institutions selling their personal and financial information. And that is what this is all about. This bill would require financial institutions to first obtain a consumer's explicit consent before selling or sharing their personal or financial information with affiliates or third-party companies for any purpose other than to complete a transaction initiated by the consumer.

What right do we have as Federal lawmakers saying to the American citizens that we do not care that they want their privacy protected; that we are the Federal Government; that we do not care what the States want because we have decided we want national standards for the convenience of the financial institutions. We do not want the financial institutions to have to be inconvenienced by having a State like California have better consumer laws than they have in these national standards.

I just do not believe the way this argument is going. I cannot believe that

I am standing here defending the privacy rights and the States' rights of Americans against the conservatives on the other side of the aisle.

□ 1715

Mr. Chairman, it is just too much for me to absorb at this moment. Let me say we have worked hard in California to have better consumer laws, and I dare say if we do not get it on this side, we are going to have to fight in the other body. But in the final analysis, we also have the ballot in California. We will go to the ballot to deal with this issue.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, let me reiterate again, because I think it is important that the gentleman from California (Ms. WATERS) know this, nothing in this legislation will, in any way, stop SBI, the California bill, from requiring opt-in for third-party non-affiliate sharing, nothing. The gentleman mentioned third parties, this was all about allowing institutions to share their privacy or their records with third parties. That is not what this bill is about. This bill does not authorize that. This bill does not permit that. There is nothing that does that. There is nothing in this bill that stops the second component of that new California law, and that is the privacy notices. Nothing in this legislation stops that.

What this legislation does is it continues the present law. Gramm-Leach-Bliley addressed the privacy issues, not fair credit reporting, and we are going to address those issues in hearings next year. As the gentleman from Massachusetts said, the chairman of the Senate has said he may address affiliate sharing in the Senate. That is fine. We may address it in conference. We did not address it in this bill.

We did not do anything not allowed by present law. Currently, the present law does not preempt that.

Finally, we established a high bar wherever we established a bar. The gentleman from California (Mr. SHERMAN) talked about one of the most important things that they did in California, and that is the telephone numbers, giving the telephone numbers. We put that in this bill over strong industry opposition. It is in there. It is an important new right that everyone in 50 States will have, and it is part of a national standard.

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

When the Committee rises and we are in the full House, I intend to submit for the RECORD a letter signed by 55 Democrats and Republicans from California discussing the fact that this law, if passed, would preempt California law, SBI.

Finally, let me just say I want to support this bill, but why would any Representative from California support a bill that wipes out the protections for

California consumers that they have worked so hard for, for so many years?

Mr. Chairman, I will include for the RECORD the list of financial institutions in California that negotiated with our consumers and remained neutral as this bill was signed into law by Governor Gray Davis. I think it is very important that we protect California law, and if other States want to support stronger measures, allow States to do that. As the gentleman from California (Ms. WATERS) said, this is a States' rights issue. I think this amendment would allow States to enact consumer protections that they deem necessary for their consumers.

American Electronics Association
California Bankers Association
California Chamber of Commerce
California Financial Services Association
California Mortgage Bankers Association
Capital One
Citigroup
Countrywide Financial
Farmers Insurance
Fidelity Investments
Financial Services Privacy Coalition
Household International, Inc.
JP Morgan Chase
MBNA
Merrill Lynch
Personal Insurance Federation of California
Providian Financial
Securities Industry Association
State Farm Insurance
Toyota Motor Sales USA
Washington Mutual
Wells Fargo

Ms. ESHOO. Mr. Chairman, I rise today to urge my colleagues to vote in favor of the Sherman-Lee Amendment to give consumers control over their financial information.

Seven million Americans were victims last year of ID theft. Overall, more than 33 million Americans have had their identities used by someone else sometime since 1990.

The Department of Justice says ID theft is the nation's fastest growing financial crime and the damages to consumers are becoming even more significant.

Despite the fact that millions of Americans are victimized by identity theft each year, Congress is getting ready to pass a bill that blocks states from enacting tougher reforms.

The strongest financial privacy law in the nation passed in California last month with overwhelming bipartisan support. This new law, sponsored by State Senator Jackie Speier, allows consumers to stop banks and other financial institutions from sharing confidential account and transaction histories with most of their affiliated companies.

As we consider this matter, I urge my colleagues to vote to bring these protections to all Americans and make sure that any changes to the Fair Credit Reporting Act truly benefit consumers.

Vote in favor of the Sherman-Lee Amendment which protects California's financial privacy law and allow other states to enact similar laws.

Ms. LEE. Mr. Chairman, I ask unanimous consent to withdraw this amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENT NO. 12 OFFERED BY MR. NEY

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. NEY:
Page 56, after line 16, insert the following new subsection:

(e) TECHNICAL AND CONFORMING AMENDMENT.—Section 624(b) of the Fair Credit Reporting Act (15 U.S.C. 1681t(b)(3)) (as amended by section 204(b) of this Act) is amended—

(1) by striking "or" at the end of paragraph (2); and

(2) by striking paragraph (3) and inserting the following new paragraphs:

"(3) with respect to the form and content of any disclosure required to be made under subsection (c), (d), (e), or (f) of section 609, except that this paragraph shall not apply—

"(A) with respect to sections 1785.10, 1785.16 and 1785.20.2 of the California Civil Code (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003) and section 1785.15 through section 1785.15.2 of such Code (as in effect on such date) and

"(B) with respect to section 12-14.3-104.3 of the Colorado Revised Statutes (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003); and

"(4) with respect to the frequency of any disclosure under section 612(e), except that this paragraph shall not apply—

"(A) with respect to section 12-14.3-105(1)(d) of the Colorado Revised Statutes (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003);

"(B) with respect to section 10-1-393(29)(C) of the Georgia Code (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003);

"(C) with respect to section 1316.2-B of title 10 of the Maine Revised Statutes (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003);

"(D) with respect to sections 14-1209(a)(1) and 14-1209(b)(1)(i) of the Commercial Law Article of the Code of Maryland (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003);

"(E) with respect to section 59(d) and section 59(e) of chapter 93 of the General Laws of Massachusetts (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003);

"(F) with respect to section 56:11-37.10(a)(1) of the New Jersey Revised Statutes (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003); and

"(G) with respect to section 2480c(a)(1) of the Vermont Statutes Annotated (as in effect on the date of enactment of the Fair and Accurate Credit Transactions Act of 2003)."

The CHAIRMAN. Pursuant to the order of the Committee of today, the gentleman from Ohio (Mr. NEY) and the gentleman from Massachusetts (Mr. FRANK) each will control 10 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

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

Mr. Chairman, I commend the leadership shown by the gentleman from Ohio (Mr. OXLEY), the ranking member, the gentleman from Massachusetts (Mr. FRANK), and the subcommittee chairman, the gentleman from Alabama (Mr. BACHUS), and their staff who put this important bill together.

Reauthorizing the expiring provisions in the Fair Credit Reporting Act had the potential to be extremely divisive, partisan and contentious. However, their diligent efforts have created a solid piece of legislation that was reported from the Committee on Financial Services by an overwhelming bipartisan vote. I believe this legislation is a testament to their hard work, and I give them credit for it.

Mr. Chairman, the Ney-Royce-Scott amendment is straightforward. It will amend sections 501 and 502 of H.R. 2622 so they will be able to set a national standard for consumer access to credit scores and credit reports. As Members know, section 501 requires that all consumers have the right to request a free copy of their credit report every year. This is a common sense way to help combat identity theft and fraud while helping Americans maintain a good credit rating.

Section 502 requires that consumers be able to request their credit scores for a reasonable fee, and that when they apply for a mortgage, the credit score their mortgage was based on be provided for a reasonable fee also. I think this is not only good for home buyers, but also a common sense way for consumers to be able to protect themselves from fraud and protect their credit history.

These are just two of the many new consumer protections in the FACT Act. However, neither sections 501 nor 502 is a national standard. As it is currently drafted, H.R. 2622 is silent on whether States can add requirements on top of those already in sections 501 and 502 of the bill.

This could mean that consumers could be faced with new, confusing duplicative and potentially burdensome disclosure requirements. I want to make it clear I do not want to prevent States from being able to protect their citizens. It has been proven time and again that the States often provide the best laboratory for testing new ways to protect consumers from fraud. The ability of States to be more nimble and to be more responsive than the Federal Government has allowed them to experiment with new ways to offer important consumer protections. In fact, both sections 501 and 502 can find their roots in State law. For example, section 502 is nearly word-for-word identical to law in California. Likewise, seven States currently have different requirements for making free credit reports available to consumers.

In recognition of the leadership States have shown, this amendment allows those States that already have laws in place and which lenders and credit bureaus already comply with to remain on the books, much like in 1996 when we put in place national standards, but grandfathered in laws that were already on the books.

However, much like in 1996, now that we are taking the lessons of those laws and forming them into a national standard, we must take the next step

and make this standard truly national by preventing States from enacting new and duplicative laws that could harm consumers in the future. If we are not careful, consumers could end up getting multiple disclosures with different numbers, explanations, and forms that are highly confusing and even contradictory. Even worse, if sections 501 and 502 are not made a national standard, a patchwork of State laws could end up raising costs for consumers, something none of us want to see happen. That does not benefit consumers, which is why we need a single national standard that provides consumers with one clear and comprehensive disclosure. I believe sections 501 and 502 achieve that goal.

I do not doubt that the new requirements in sections 501 and 502 will be costly to industry. However, I think that most of us would agree that those costs are worthwhile because of the protections they afford consumers. That is one of the many trade-offs we have been forced to consider when drafting this bill.

Mr. Chairman, as I mentioned a moment ago, if we allow States to add more and more regulations on top of those already in H.R. 2622, then we create the risk of adding so many burdens that ultimately the consumer will see increased costs. That is why I urge my colleagues to support uniform national standards for consumers by supporting this amendment.

We have an opportunity to make a strong statement about the need to pass strong consumer protections while also making the statement that those consumer protections must be uniform. I urge Members to vote on the bipartisan Ney-Royce-Scott amendment, and I thank the cosponsors of the amendment.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the crux of this is that by this amendment, the gentleman from Ohio (Mr. NEY) seeks to extend preemption beyond where it is under current law. I believe what we attempted to do, with a great deal of success, we made a mistake with regard to California, was to go forward with existing preemptions, to bring them forward, while we added some consumer protections. It is not contested. This amendment would preempt State activity that is not now preempted.

If we simply extended the Fair Credit Reporting Act without this amendment, there are things that the States could do that this amendment will prevent them from doing. Yes, the bill does make some improvements with regard to credit scores and with regard to credit reports. But as an example, and I recognize that the gentleman's amendment does grandfather current State law that goes beyond what the Federal law does, but I cite these two

States not because they are going to be preempted, but because they are an example of the kind of actions that States have taken in the past that would be preempted in the future.

Two of our more radical States have taken actions in the past that would be preempted in the future, Colorado and Georgia. What this amendment says is no other State should be as radical and as anti free market and as populist as those two places, Colorado and Georgia. Colorado and Georgia have both seen fit in their legislative processes to extend to their citizens rights with regard to credit scores and credit reports that no other State will be allowed to do if this amendment is adopted.

Now credit scores, in particular, are very important. Members should check with their own constituents and their own State governments. Credit scoring is spreading. People are now finding that credit scoring is being used not simply to give them a loan, but to give them insurance. It has become a very controversial subject. Indeed, one of the things that is in this bill, and I appreciate the chairman having agreed with us that it should be there, is a study that we have commissioned about the legitimacy of using credit scoring as a standard in areas outside the granting of credit.

Should consumers be denied insurance because there was a past credit problem if those consumers are being given insurance that does not involve credit, insurance which needs to be paid for currently?

The gentleman's amendment would prevent States in the future from going beyond where we are with regard to credit scoring. I agree there is need for uniformity in some things, but insurance has always been a State matter. I do not believe we need a national policy with regard to the regulation of insurance. If we do, then we have to change a lot more than simply preempt this because we have left insurance there.

I want to emphasize at this point, I understand this does not preempt what is currently around in some States, but it says in an area that is of growing concern to the States, credit scoring and that has particular concern for members of ethnic minority communities, you may not do anything in credit scoring that we have not done.

We do good things in this bill, but I do not think that it is perfect. I do not think it explores and occupies the entire universe of consumer protections. I believe there are things that the States could do that would be relative to that State that would not impinge on others.

I do not think the Colorado and Georgia rules interfere elsewhere. For instance, in Colorado it says as I said it, that if you are going to be treated negatively because there have been too many inquiries on your credit report, the credit agency has to tell you that so you can take some action to protect yourself. I think that is a reasonable

thing for a State to be able to do. I am glad Colorado has done it. I do not think Colorado ought to be, as it would be under this amendment, the last State to be able to make that protection. I hope that we will stick with what I thought was the outlines of what we were agreeing to here which was to preserve the existing preemptions, but not to extend them.

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

Mr. NEY. Mr. Chairman, I have no additional requests for time, and I yield back the balance of my time.

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

Mr. Chairman, I want to just stress again, and I was reminded by one of our able staff members, in the case of credit scoring, we have in our legislation emulated what California did to some extent.

□ 1730

I will be prepared to agree to a unanimous consent request that subsequently no one will be allowed to mention California in this debate. I would be ready to agree to that. But I will take my one last reference to it and say we have benefited from what the States do. Even if you believe in preemption, this is the wrong time in the evolution of national policy to lock in a preemption with regard to credit scoring. I warn Members, credit scoring is an explosive issue in some areas. It is one which is being expanded beyond the granting of credit. Do not vote for an amendment that will limit your State's ability to respond to what consumers will feel is very important in the area of credit scoring, and that is what this amendment would do. Even if you believe in an ultimate preemption, it is at a very premature stage. Credit scoring is a relatively new issue in terms of its being extended to other areas. I do not see any reason why we should go beyond the existing preemptions. Everyone has said they work very well. All the studies have been of the existing preemptions.

I want to be very clear once again, this is a new preemption. This would have the States lose the right that they now have, and have under the Fair Credit Reporting Act, to protect their citizens, particularly with regard to the area of credit scoring. I think it would be very unwise. I urge the Members to stay with the committee position here and defeat this amendment.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. NEY).

The question was taken; and the Chairman announced that the yeas appeared to have it.

Mr. NEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gen-

tleman from Ohio (Mr. NEY) will be postponed.

AMENDMENT NO. 11 OFFERED BY MR. ROYCE

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. ROYCE:

Page 34, strike line 9 and all that follows through line 18, and insert the following new subparagraph:

“(A) IN GENERAL.—A consumer may dispute directly with a person the accuracy of information that is contained in a consumer report on the consumer prepared by a consumer reporting agency described in section 603(p), if—

“(i) the information was provided by the person to that consumer reporting agency in accordance with paragraph (1)(B);

“(ii) the consumer has disputed the accuracy of such information with the consumer reporting agency that prepared the consumer report pursuant to section 611;

“(iii) the consumer has received the results of the investigation from the consumer reporting agency and has requested that the consumer reporting agency reinvestigate the results in accordance with section 611; and

“(iv) the results of the consumer reporting agency's reinvestigation requested pursuant to (iii), as reported to the consumer, do not resolve the dispute.”

Page 35, beginning on line 25, strike “thereafter report correct information to” and insert “notify”.

The CHAIRMAN. Pursuant to the order of the Committee of today, the gentleman from California (Mr. ROYCE) and the gentleman from Massachusetts (Mr. FRANK) each will control 10 minutes.

The Chair recognizes the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Chairman, I yield myself such time as I may consume. I am offering this amendment today on behalf of myself and on behalf of the gentleman from Pennsylvania (Mr. TOOMEY) and the gentleman from Ohio (Mr. TIBERI). We are doing this to correct some of the serious problems with the furnisher liability provision that was offered by the committee's ranking member during the full committee markup. That particular provision penalizes businesses who voluntarily provide the information that makes our credit system work. The provision also turns the existing system for correcting errors on its head with little evidence that it will do anything to increase the accuracy of that system. As the director of the FTC's Bureau of Consumer Protection recently said, and I will quote these remarks, “We don't want to discourage voluntary reporting. Imposing too many obligations on the furnishers could have that effect.”

As our chairman will recall, I believe, I along with several other members of the committee raised these concerns about what we perceived as these serious flaws. We were told by the other side of the aisle that each of these problems we raised would be addressed before consideration on the House floor. Unfortunately, we have not yet

found common ground. I am hopeful that we yet will; but the amendment that I have filed here seeks to resolve the following key problems, and I want to state these problems again so that we can focus on them.

First, the furnisher liability provision would allow the current system to be circumvented, thereby flooding small- and medium-sized credit grantors with unnecessary investigations; second, that provision in the bill opens the door for credit repair clinics to subvert the existing system by overwhelming furnishers who are ill prepared to address these tactics. By overwhelming, we mean sending in tens of thousands at one time. Last, that provision effectively doubles the number of reinvestigations businesses would have to handle by encouraging consumers to file in two different places at the same time, because they would file both with the furnisher and they would file with the credit bureau. In short, the provision would drive many furnishers out of the voluntary system. That would reduce the integrity and accuracy of our system.

The current dispute resolution system resolves the overwhelming majority of disputes. It is only the very small number of unusual problems that need specialized attention. Our amendment that we are offering here preserves the existing system that works for so many consumers today, but provides a new right for those infrequent instances where the current system may not be sufficient. In short, our amendment requires individuals to use the current investigation and reinvestigation process through the bureaus. If the dispute is not resolved, it would then allow individuals to take their credit bureau dispute directly to the furnisher, and it compels the furnisher to address it within 30 days under a threat of liability. I think this approach addresses each of the concerns raised in the markup while providing a new dispute resolution process for those individuals who are not served through the current system.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

This is a difficult issue. Let me say first, I very much agree with the gentleman, and this is something that I want us to return to; and I hope the chairman will do this. The credit repair agencies, I agree, are a problem. Whatever system we have, I think there is an abusive practice there. I think the gentleman is right to point to it. I myself check my voice mail when I am down here. I called my Massachusetts voice mail where my phone is listed, and I have a man telling me that he has got my credit records in front of him and he can help me with my debts. Since I pay up pretty regularly, I thought maybe this was identity theft. I called him up, and it was one of these phoney credit repair agencies. I called just to do that.

Let me say to the gentleman, I would be glad to work with him to do legislation, because whatever we do, whatever remedy we give, we are going to have the problem of credit repair. I think he has pointed to a very good problem. I would just say to the gentleman that I look forward to working with him. I cannot support this particular amendment, but I would be glad to work with our chairman on dealing with the credit repair issue.

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

Mr. FRANK of Massachusetts. I yield to the gentleman from California.

Mr. ROYCE. I thank the gentleman for yielding. I look forward to trying to work out a satisfactory compromise on this.

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

Mr. ROYCE. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, the problem that the gentleman from California has identified is a real problem, and it does need a solution. I want to reiterate what the gentleman from Massachusetts said, because I think there is genuine support for finding a solution to this. The last thing we want is for small- and middle-sized businesses to be burdened down and not to report information to the national credit reporting system because this could actually encourage a situation in which people, knowing that they do not participate because of a liability, target them, do business with them and knowing that they are not part of the national credit reporting system. The more information that goes into that system, the more valuable it is. It is often these small- and middle-sized businesses that in fact do not have the sophistication to collect bad debts or to write off bad debts; and when they take a loss, it is more severe because it reflects a greater percentage. So the very businesses that need to be not only furnishing information but drawing information, we need to do everything we can to encourage those retailers and others to participate in the system.

I fear that unless somewhere in conference or in the Senate, and I would say to the gentleman from California, we just simply have not come up with the right language yet, but I know the gentleman from Ohio is very committed to working on this issue. I want to commend the gentleman from California for working on this issue and identifying it and bringing it to our attention, along with the National Retail Association that has made us very aware that this is a weakness of the bill as it now exists.

Mr. ROYCE. Mr. Chairman, I yield 2½ minutes to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I thank the gentleman from California for yielding me this time. First of all I

would like to congratulate the gentleman from Ohio (Mr. OXLEY), the gentleman from Alabama (Mr. BACHUS), and the gentleman from Massachusetts (Mr. FRANK) for producing a bill that addresses an extremely important issue. I know that the gentleman from Alabama has been quoted as saying that this is probably one of the most important economic initiatives that we have got to accomplish this session because it means so much to so many people.

I was reading some figures that say that if we are not going to go forward, if we did not or had not gone forward with reauthorizing the Fair Credit Reporting Act, it would result in a \$20 billion loss in the consumer spending area. Actually, as some of the dialogue here has indicated, it would fall really on those that need help, who need access to credit most. I am glad that we are here, and I congratulate the chairman on his work.

I also am here to support the gentleman from California in trying to search for a solution to a provision that is in the bill that would, as has been said earlier, provide a disincentive for retailers to be a part of this nationwide system that we have that affords individuals access to credit. For the reasons stated before, the provision as it stands now, which would force an individual seeking to correct information on a credit report to go to the furnisher rather than the parties currently doing it now in the credit bureaus, would provide inefficiencies on the part of the furnishers; would, as I said earlier, provide a disincentive for those furnishers to even offer the information to the credit bureau; and ultimately, I think, would drive up costs for everybody. As we know, the individuals who end up suffering most are those who we are trying to help by affording the least expensive access to credit.

Again, I congratulate the gentleman from California on his efforts and want to offer help in any way that I can to hopefully resolve this issue.

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

I very much appreciate the support from the gentleman from Virginia. I appreciate the offer from the ranking member to work toward a resolution of this. In the spirit of cooperation, I am going to withdraw this amendment. However, Mr. Chairman, I am going to ask for your commitment that you will continue to work with me to ensure that these problems are resolved before a final conference report comes back to the House.

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

Mr. ROYCE. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, let me indicate my support for the gentleman's purposes here. I think he makes an excellent point. We had some good debate in the committee as well as here on the floor. As we work toward,

hopefully, the conference committee, I pledge my support for trying to find an answer to this difficult problem.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. ROYCE. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I would say, particularly with regard to protecting legitimate merchants against abusive credit repair companies, I would be glad to work with the gentleman.

Mr. ROYCE. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1745

AMENDMENT NO. 4 OFFERED BY MR. SANDERS

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. SANDERS: Page 69, after line 5, insert the following new section (and conform the table of contents accordingly):

SEC. 507. LIMITATION ON USE OF CONSUMER REPORTS.

(a) IN GENERAL.—Section 604(d) of the Fair Credit Reporting Act (15 U.S.C. 1681b(d)) is amended to read as follows:

“(d) LIMITATION ON USE OF CONSUMER REPORT.—No credit card issuer may use any negative information contained in a consumer report to increase any annual percentage rate applicable to a credit card account, or to remove or increase any introductory annual percentage rate of interest applicable to such account, for reasons other than actions or omissions of the card holder that are directly related to such account or a late payment of 60 days or more on any another credit card or debt.”.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 604(a)(3)(F)(ii) of the Fair Credit Reporting Act (15 U.S.C. 1681b(a)(3)(F)(ii)) is amended by inserting “subject to subsection (d),” before “to review”.

The CHAIRMAN. Pursuant to the order of the committee of today, the gentleman from Vermont (Mr. SANDERS) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentleman from Vermont (Mr. SANDERS).

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

Mr. Chairman, this amendment is sponsored by the gentlewoman from California (Ms. WATERS) and the gentlewoman from California (Ms. LEE). It is also strongly supported by the Consumer Federation of America, the Consumers Union, the Electronic Privacy Information Center, the National Association of Consumer Advocates, the National Consumer Law Center, the New York Public Interest Research Group, the Privacy Rights Clearinghouse, the Privacy Times, and the U.S. Public Interest Research Group. In other words, almost every major consumer organization in America is supporting this amendment.

Mr. Chairman, this amendment deals with an issue which is of growing concern to millions of credit card holders, and that is that, increasingly, credit card companies are engaging in an outrageous bait and switch practice which is costing consumers hundreds of millions of dollars.

This, Mr. Chairman, is how the scam works: In our country today, credit card companies are sending out over 5 billion solicitations a year. Yes, that is right, 5 billion pieces of mail are being sent to Americans every year in order to purchase this or that credit card. Sometimes I think about half of those solicitations come to my kids. Nonetheless, we are all receiving them. As we all know, these mailings very often have bold headlines stating zero percent interests rates for 6 months, or 2.5 percent interest rates for a year, or whatever. We all receive them.

Now, here, Mr. Chairman, is the scam and the bait and the switch. An individual fills out the form and purchases the credit card, and month after month after month, he or she pays the amount owed to the credit card company faithfully and on time. In other words, the individual consumer has fulfilled his or her end of the contract. But in the midst of this, something strange happens. People are paying up on time, but suddenly the interest rate skyrockets, despite the individual making their payment on time.

Now, how can this happen? How can interest rates double or triple when the individual has fulfilled the obligations of the credit card company and made payments on time and never has gone over the credit card limit?

Well, it happens because the credit card issuers, companies like Chase Manhattan, Citigroup or Bank One, have decided all on their own that the consumer has become a greater financial risk, even when that consumer has in every instance paid their credit card bill on time.

What happens is the company obtains information from their customer's credit report which indicates a late payment on another financial transaction, another transaction. Perhaps the consumer might have been late in paying a student loan or a mortgage payment or a medical bill, and because the individual was late paying off another financial transaction, having nothing to do with the credit card they have from this company, the credit card company raises interest rates on their transaction with that individual.

Even more outrageous, credit card companies are raising interest rates when the consumer has never been late on any payment, and here is the crime there: There is an illness in the family. Somebody borrows money to pay off a medical bill; and, because they have committed that terrible crime of borrowing money for a medical reason, interest rates will go on the credit card, although they have never been late on any payment.

That is absurd, that is unfair, and that is a rip-off of the American people.

At a time when the Federal Reserve has lowered short-term interest rates 13 times, why do we have consumers in this country paying 16 percent, 26 percent, even 29 percent APR on their credit cards?

Furthermore, Mr. Chairman, the Committee on Financial Services and my Subcommittee of Financial Institutions, of which I am the ranking member on, have heard from a number of witnesses about the inaccuracies of credit reports. According to freecreditinsight.com, over 70 percent of credit reports contain errors, so the credit reporting agency makes a mistake and your interest rates go zooming up.

By charging higher interest rates, the profits of credit card companies skyrocket and consumers grow deeper and deeper into debt. Is it any wonder why bankruptcies in the U.S. are now at an all time high, increasing by 23 percent since 2000?

Mr. Chairman, this is the issue. This is a very simple issue. It is an issue of fairness. If I take out a credit card and the credit card company says to me you have to pay up at a certain time and your interest rates are such-and-such, and I do that every single month, that is what the deal should be. And, if I am late, if I go above the amount of credit that I agreed to, well, I agree, they have a right to penalize me. They do not have a right to double or triple my interest rates when I pay my bills on time and because I took out a loan because my wife might have been ill.

Mr. Chairman, Congress has a responsibility to stop the credit card industry from ripping off consumers by this deceptive and unfair practice. I urge my colleagues to vote for this amendment to restrict the credit card interest rate bait and switch.

Specifically, this amendment would prohibit credit card issuers from using negative information contained in their customers' credit reports, such as a late payment on a student loan, a lower credit score, a new mortgage or new loan to pay for medical emergency or an error in a credit report, as a reason to double or triple credit card interests rates.

Importantly, as part of a compromise worked out at the committee level, this amendment has been crafted so that if a consumer is at least 60 days delinquent on any other credit card or debt, the credit card company could still use that information to increase the interest rates of their customers.

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

The CHAIRMAN. Who seeks to control time in opposition?

Mr. OXLEY. Mr. Chairman, I claim the time in opposition to the Sanders amendment.

The CHAIRMAN. The gentleman from Ohio is recognized for 15 minutes.

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

Mr. Chairman, this amendment, first of all, was defeated on a bipartisan

vote of 44 to 22 in the Committee on Financial Services.

Chairman Greenspan has raised serious concerns about this amendment. Let me quote, if I may, from a letter from Chairman Greenspan to the gentleman from Delaware (Mr. CASTLE) who had requested the response from the Fed, and specifically Chairman Greenspan, regarding the amendment offered by the gentleman from Vermont.

He says in part, "The information gathered by credit reporting companies on the borrowing and payment experiences of consumers is a cornerstone of the consumer credit system in this country. Experience indicates that access to the information assembled by these companies and credit evaluation systems based on that information have improved the overall quality and reduced the cost of credit decisions while expanding the availability of credit."

He goes on to end in this way: "In sum, in deciding whether to restrict the use of certain information in credit evaluations, the Congress should be aware that such restrictions are likely to diminish the effectiveness of statistical systems that have played a significant role in reducing the overall cost of credit and widening its availability."

So what we have here is the chairman of the Fed saying that the Sanders amendment is going to have a chilling effect on the availability of credit, and could drive up the cost of credit at the same time, basically saying to those of us who are good credit risks, we will be asked to pay for those who are less responsible in paying back those credit card debts.

Now, the committee did adopt an amendment offered by the gentleman from New York (Mrs. MALONEY) that specifically addresses the issue raised by the gentleman from Vermont. It requires any preapproved credit card solicitation to disclose the credit card issuer's ability to adjust the interest rate for reasons other than delinquencies on the credit card account. The notice will educate the consumer and allow him or her to act accordingly.

So in place of this rather draconian approach by the gentleman from Vermont, we have the gentlewoman from New York's amendment, which is part of this bill that we are debating now, adopted in the committee unanimously, that would provide more information, more notice to the consumer, to make certain that they are aware that, should a delinquency occur, it is a possibility that the interest rate could go up.

Essentially, this is an overkill amendment, and the committee found by a two-to-one margin that indeed that was the case. Nothing has changed from the time that the committee adopted the bill to today on the floor.

So the amendment would clearly increase the cost, and probably decrease

the availability of credit for credit card borrowers. Lenders must have the ability to adjust the interest rate on a loan in order to adequately price for that borrower's risk.

It seems obvious that those who are good credit risks are able to obtain credit at lower costs. That is how our system works. If someone who is a good credit risk suddenly imposes additional risk to the lender, the lender should be able to adjust for this increased risk. The amendment would prohibit a credit card issuer from doing this in many circumstances, and what the likely impact of this Sanders amendment would be lenders would be forced to offer credit card accounts at higher interest rates in order to buffer against any potential future risk that any borrower may present.

Frankly, for those of us, the vast majority of us, those who pay their credit card bills monthly and are responsible, why should we be faced with a potential for higher interest rates and less available on that score? Adjusting the price of credit to match the level of risk imposed by the customer is not a bait-and-switch tactic, it is simply good, common sense, and such adjustments are already adequately addressed by existing law, particularly in regard to the Maloney amendment.

To that extent, I oppose the Sanders amendment.

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

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

Mr. Chairman, my friend from Ohio just said why should people who pay their bill on time every month be penalized? I agree with him. But as the gentleman knows, right now people pay their bills on time every single month and, despite that, they can see a doubling or tripling of their interest rates, and that is precisely what we are trying to prevent.

Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, let me just thank the gentleman from Vermont for his leadership on the committee and for bringing this amendment today to the floor. But I must say that this is a very moderate amendment, it is a very conservative amendment, and I was, quite frankly, surprised he would go for it. But in the spirit of compromise, he did. So, very seldom do I believe that something is better than nothing, but I believe that this is such a fundamental injustice as it relates to our consumers that I had to support this very modest measure.

Quite frankly, a creditor should not be allowed to increase interest rates if consumers are paying the debt according to the agreed upon terms. They should not be allowed to raise interest rates based on payment histories of another debt. That is just fundamentally wrong. When individuals agree to a contract, when a consumer believes that they are doing the right thing and

paying their monthly payments, how in the world can they get set up to fail? That is what this does.

□ 1800

An interest rate that jumps from 7 percent to 29 percent, bankruptcy, certainly, will follow if, in fact, this does not fit within the consumer's financial scheme. And generally, the consumer has a financial plan that they have to stick to in terms of payment schedules of debts. And so a huge payment like this is wrong. It would make more sense if the gentleman from Vermont (Mr. SANDERS) had offered an amendment to say what I just said earlier, that a creditor should never be allowed to increase an interest rate on a debt if, in fact, the consumer is paying that debt based upon the agreed-upon agreement. But I understand how this place works, and I really thought that he had enough support on the other side to at least get this very basic kind of amendment passed, I would say to the gentleman. So I want him to know that I support it. I thank him for bringing it to the floor. But just know I think that sooner or later, we have to correct this injustice.

Mr. OXLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I thank the chairman for yielding me this time.

I rise in opposition to the Sanders amendment. I am listening to the gentlewoman from California's remarks that we should not allow a credit card company or a bank to alter one's interest rate on an extension of credit based on that consumer's performance in the marketplace, but if we look back to the beginning of the transaction to see how the credit was extended to begin with, it was based on the overall credit picture. And we have a nationwide credit access, information access system that affords lenders the ability to know more about their risk. And by tying the hands and essentially asking the credit card issuer and the lender to ignore information that will impact their risk will end up ultimately denying more credit to more people.

Mr. Chairman, we ought to let the marketplace work. We ought not go in and try and micromanage someone's business. We have the laws in place which require disclosure. There is the Maloney amendment that was attached in committee which will ensure adequate notice if there is, for some reason, the increase in the rate. Again, the end of the day is we want to make sure as many people as possible have access to credit.

What this amendment will do, as the chairman has said, will raise rates for everyone and will deny those who really need the credit access to those funds.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, I rise in support of this amendment. Mr. Chair-

man, I was hopeful that my friends on the opposite side of the aisle would have the good sense not to oppose something like this. This is so ridiculous. This is so ridiculous that they could absolutely defend a credit card company increasing your interest rates, even though you are paying your bills on time every month. You are paying your bills on time, you have not missed a payment, but because you did not pay Nordstrom's or Gap, and you may have a dispute with them, they are going to raise your interest rates. Then, my friends on the opposite side of the aisle will say, they have to do that; and if we do not allow them to do that, that will have a chilling effect on credit.

Well, I think what one of my friends on this side of the aisle just said to me makes a lot of sense. She said, you know, this is nothing but a racket. You are defending a racket. You are defending a racket that is exploiting the people for no good reason. They simply want to make more money, and they can come up with any excuse, any way possible to get more money, to gouge your constituents; and you would stand here and argue that unless we allow them to gouge your constituents, you will have a chilling effect on them being able to get some credit. Give me a break. This is the greatest ripoff I have ever seen. And to add to it that if you are paying your bills on time, you are not missing a payment, and you go out and borrow some money because you may have a situation where you need more money, they look at that and say, oh, they went out and they borrowed some more money; I can use this, and I can describe it as a credit risk. Up with the interest rates.

Oh, you are better legislators than that. You do not want to do that to your consumers. You do not want to undermine them that way. You do not want to have the dollars that they are working hard to earn pulled out of their pockets in this racket.

Support the amendment. That is the decent thing to do.

Mr. OXLEY. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I thank the chairman for yielding me this time.

We had this discussion on this amendment before the Committee on Financial Services, and it did not make a lot of sense then; and, frankly, it does not make a lot of sense now, that we would even consider this amendment.

Essentially, those who are issuing credit, particularly credit cards, that is their business, that is their product, that is what they do. And what they have to look to is the creditworthiness of any of us. We probably all in this room and most people in this country today are carrying some sort of credit card, and probably multiple credit cards in the cases of most individuals. And that is based on one's ability to be

able to pay their debts and be able to manage their accounts. Obviously, the one account is not necessarily the whole answer. The whole answer is exactly where you are financially. They make a decision with respect to where you are in a circumstance, and they issue the credit based on that. With the Maloney amendment, we have a circumstance in which people will be informed that if, indeed, their creditworthiness is challenged, they may have to pay higher interest rates.

The chairman cited a letter which I received on July 22, 2003, from Chairman Greenspan with respect to this issue, and I would just like to read a little further from that beyond what he had read. He said, "Consumers' performance on credit accounts as well as the number and recency of certain types of inquiries to credit reporting companies are credit criteria that are statistically associated with creditworthiness in evaluative systems that are used for credit granting and pricing. Records of consumers' usage of, and payment performance on, credit accounts with other creditors are fundamental building blocks for evaluations of creditworthiness. For example, where a creditor commits to allow a consumer to make purchases or obtain cash advances from time to time on a revolving line of credit, the consumer's performance on other credit accounts can well presage the credit risk outlook for the creditor's own account," and it goes on from there.

It is relatively simple. You are in a situation in which an individual has taken credit based on the circumstances of their own creditworthiness and then has gone out and established their creditworthiness as not what it should be. There are problems or circumstances. Frankly, the credit card companies and others dealing with this do not want to have to do this if they can avoid it because it is easier for them to deal with it on the levels on which it is issued; but there are circumstances in which this happens, or perhaps this discourages it from happening, that is your interest rates might be increased.

So I think for all of these reasons, while this amendment sounds to be well-intended, ultimately would be extremely counterproductive in that I think a lot of the credit which is issued now, because people realize that this may be an outlet in order to make sure that people do not extend their credit otherwise, might in the future not be able to be granted, simply because the credit issuers are going to say this person has sort of a spotty history and yes, we would have done it if we had known we could have increased the interest rate if necessary, but in this circumstance we are not going to issue it. I think you are going to find a lot of people who marginally might have been able to receive credit before are not going to be able to receive it if this amendment were to be adopted. So I encourage the defeat of the amendment.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
Washington, DC, July 22, 2003.

Hon. MICHAEL N. CASTLE,
House of Representatives, Washington, DC.

DEAR CONGRESSMAN: This letter responds to your request of July 18, 2003, seeking my views as to whether proposed changes to the Fair Credit Reporting Act might affect the pricing of credit based upon risk or might potentially bear upon the safety and soundness of creditors. The proposed amendments referred to in your letter would limit use in credit evaluation systems of certain types of information, such as information regarding the number of inquiries about the consumer made to a credit reporting company, and would also restrict consideration of other types of information, such as information about the consumer's personal credit experiences with other creditors in credit decisions that involve the interest rate on an account.

The information gathered by credit reporting companies on the borrowing and payment experiences of consumers is a cornerstone of the consumer credit system in this country. Experience indicates that access to the information assembled by these companies and credit evaluation systems based on that information have improved the overall quality and reduced the cost of credit decisions while expanding the availability of credit.

Credit evaluation systems rely on information to measure the credit risk posed by current and prospective borrowers. In the process of credit evaluation, creditors seek to use information that helps them better distinguish between good and bad credit risks. The information items that receive positive and negative weights in credit evaluation systems are those that have demonstrated statistical usefulness in this process.

Consumers' performance on credit accounts as well as the number and recency of certain types of inquiries to credit reporting companies are credit criteria that are statistically associated with creditworthiness in evaluative systems that are used for credit granting and pricing. Records of consumers' usage of, and payment performance on, credit accounts with other creditors are fundamental building blocks for evaluations of creditworthiness. For example, where a creditor commits to allow a consumer to make purchases or obtain cash advances from time to time on a revolving line of credit, the consumer's performance on other credit accounts can well presage the credit risk outlook for the creditor's own account. Similarly, an upsurge in recent inquiries could indicate that a borrow in financial distress is seeking to gain access to more credit. Thus, restrictions on the use of information about certain inquiries or restrictions on considering the experience of consumers in using their credit accounts will likely increase overall risk in the credit system, potentially leading to higher levels of default and higher prices for consumers. Even with higher prices for credit, elevated levels of default may raise risk levels for credit-granting institutions.

In sum, in deciding whether to restrict the use of certain information in credit evaluations, the Congress should be aware that such restrictions are likely to diminish the effectiveness of statistical systems that have played a significant role in reducing the overall costs of credit and widening its availability.

I hope these comments are useful.

Sincerely,

ALAN GREENSPAN.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY), the famous author of the Maloney amendment.

Mrs. MALONEY. Mr. Chairman, I thank the gentleman for yielding me this time, and I thank the gentleman from Alabama (Mr. BACHUS) and the gentleman from Ohio (Mr. OXLEY) and the gentleman from Massachusetts (Mr. FRANK) for their extraordinary leadership on this important bill. And I thank them for supporting my disclosure amendment which will require conspicuous disclosure on credit reports and all credit papers of pricing items and techniques and strategies.

But at the same time, I continue to be very, very troubled by some pricing strategies used by certain companies, and I believe that the Sanders amendment provides a needed reform.

The amendment affects how credit card companies use information from credit reports to increase interest rates on their customers. This devious practice is known as "bait and switch," where a consumer's low interest rate may be increased to 20 percent or higher simply because they may have taken out a new mortgage or some other liability. A recent New York Times article documented just such a case where an Illinois doctor had his rate go from 6.2 percent to over 16 percent when he took out a mortgage.

The amendment merely allows the consumer a window of 60 days before their rates are increased, in the event they were on a vacation or got sick or missed a payment or were experiencing some type of short-term financial difficulty.

I have met with a large number of industry representatives on this issue. Some company practices are already close to the standard of this bill and some are not. Congress has established some minimum consumer protections in other instances where necessary for the credit card industry such as the \$50 maximum liability for lost cards. I believe this amendment sets a modest floor for the industry's practices above which there is an abundance of room for different companies to take different approaches and compete in the free market.

Mr. Chairman, I support this amendment.

Mr. OXLEY. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I am opposed to this amendment for a couple of reasons. I too serve on the Committee on Financial Services where this amendment was defeated by a two to one margin. The Maloney compromise amendment which came up seemed reasonable. It does give disclosure, and I think that that certainly is a good warning to the consumer.

Mr. Chairman, one of the previous speakers mentioned a dispute, if you are disputing an item on your credit card statement, that is something that is put into abeyance, so that would not affect your credit rating. If we were to pass this amendment, I believe that all

consumers would be harmed, because there would be higher costs of credit nationwide.

When a credit card is issued, it is based upon a snapshot in time. As the picture changes, obviously, we need to have the companies remain to have that kind of flexibility that they have right now. This is really an issue of credit risk and creditworthiness; and as various occasions arise in one's life that they may be overextending themselves, then certainly the credit card company deserves to have the right to make those appropriate changes.

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

The sides on this debate are very clear. One side are the credit card companies and the very large banks who are making huge profits from their consumers and, in some cases in our low-interest moment, right now, who are charging 25 or 29 percent a year interest rates. In other words, they are ripping off the American people.

On the other side of this debate and supporting this amendment, are virtually every major consumer organization in America that is saying enough is enough. If people pay their bills on time every month, they should not see their interest rates double or triple. The chairman mentioned that there was bipartisan opposition to my amendment. He was right. But as he knows, there was bipartisan support for this amendment, including the gentleman from Alabama (Mr. BACHUS), who was very articulate and supportive of this amendment as chairman of the relevant subcommittee.

Let me simply conclude by saying this: the American people are sick and tired of being ripped off by credit card companies. When they pay their bills every month on time, they should not see their interest rates soar. I would urge the Members of this body, in a bipartisan way, to support the American consumer and pass the Sanders amendment.

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

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

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

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

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Vermont (Mr. SANDERS) will be postponed.

AMENDMENT NO. 16 OFFERED BY MRS. KELLY

Mrs. KELLY. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 16 offered by Mrs. KELLY:

Page 44, after line 22, insert the following new subsection:

(c) REGULATORY AUTHORITY TO ADJUST REPORT DISTRIBUTION SCHEDULES IN TIMES OF REQUEST SPIKES.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by inserting after subsection (g) (as added by section 702(e) of this Act) the following new subsection:

“(h) REGULATORY AUTHORITY TO ADJUST REPORT DISTRIBUTION SCHEDULES IN TIMES OF REQUEST SPIKES.—

“(1) IN GENERAL.—If the Federal Trade Commission and the Board of Governors of the Federal Reserve System determine that consumer reporting agencies have been temporarily overwhelmed with requests for disclosures of consumer reports under section 612(e) beyond their capacity to deliver such reports in a timely fashion, the Commission and the Board, by order, may implement such measures as the Commission and the Board determine to be necessary for a limited time to regain equilibrium between the ability of the agencies to disclose consumer reports and consumers demands for such reports.

“(2) PROTECTION FOR EMERGENCY AND TIME-SENSITIVE REQUESTS.—In issuing any order under paragraph (1), the Federal Trade Commission and the Board of Governors of the Federal Reserve System shall ensure that, during the effective period of any such order, creditors, other users, and consumers continue to have access to consumer credit reports on a time-sensitive basis for specific purposes, such as home purchases or suspicions of identity theft.”.

The CHAIRMAN pro tempore. Pursuant to the order of the Committee of today, the gentlewoman from New York (Mrs. KELLY) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentlewoman from New York (Mrs. KELLY).

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

Mr. Chairman, while this bill contains good consumer protections, my concern is that if free credit reports are extended to consumers, then there will be an unquestionable strain on the system. Unfortunately, the current system is not yet equipped to deal with overwhelming requests for credit reports that may result from offering free credit reports or any other extraordinary events. Consumers who have an identified need to access their file could find their request lost in an overburdened system. This will undoubtedly reduce service levels that could otherwise be dedicated to helping consumers who do have a concern about their files and need to have information quickly.

After holding several hearings on the issue of identity theft, my concern is that large numbers of people simply looking for information could result in a chaotic shock to the system that would be ripe then for fraud and difficult to detect criminal behavior.

□ 1815

In the full committee I offered an amendment to ensure consumers' requests are accommodated by alleviating burdens on credit bureaus as the new law is implemented. I am pleased we have included a lot of this language in the manager's amendment,

and as a result, the underlying bill now directs regulators as they construct a system for implementation to take into consideration potential spikes in the volume of requests for first year of the legislation. It is a tremendous first step, but I do not feel it is enough.

The amendment I am offering now builds on the manager's amendment and simply gives regulators the authority to respond on a temporary basis to the needs of consumers when credit bureaus are overwhelmed with requests after the 1-year implementation.

If the regulators determine it is necessary to exercise this authority, the amendment also explicitly states that their temporary approach must maintain consumer access to credit reports for emergency or time-sensitive requests. Including incidents of home purchases and suspected identity theft. Without the flexibility that this amendment provides, customer service may decline as credit bureaus become overwhelmed with requests under extenuating circumstances. By giving regulators the authority to mitigate in these instances, credit bureaus would be able to devote time and attention that each request deserves.

I want to thank both the chairman and ranking member for including some language in the manager's amendment on the first year of implementation, but this amendment would complete that work. It is a straightforward approach to a significant problem and I urge colleagues to support the amendment that will benefit millions of Americans who need prompt access to their credit reports.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I claim the time in opposition to the amendment.

The gentlewoman correctly described what happened when the gentlewoman raised this issue in committee and we had a discussion of it and I agreed to the substance in the first year. And yes, in the manager's amendment we have, I think, a very good version of the amendment that she had introduced in committee because when you are doing something like this, there is often a problem in the transition. And the gentlewoman is correct that her initiative, we have managed the problem of the transition, namely, we have given to the regulators, in this case, primarily the Federal Trade Commission, with some participation from the Federal Reserve, the ability to do it within the first year.

But I could not agree to making that a permanent feature in the way in which we now have because, for instance, some of the credit reporting agencies might be responsible and gear up for this. I do not want to reward those that might not do it. I think it is very reasonable to say in the first year, and it is also the case when you go from not having this right to having the right, yes, you can expect there to be a slew of first-time requests. But

after the first year there is no reason to think that there is going to be this kind of backlog and a reasonable company ought to be able to manage that.

If something should turn out later down the road to be an unanticipated problem, we have the capacity to deal with it, but I think it would weaken this if we were now to say to the regulators, in effect, on an ongoing basis, they could suspend this indefinitely, suspend this right for a lot of people. So while I supported and was glad to the 1-year transition issue, it does seem to me to go much further and we had and this was a process of give and take, we had agreed I thought on free credit reports as a basic rule. I must say that on our side and in many other places, giving the regulators an ongoing right to suspend what we have advertised as a new right beyond the transition year is very troubling and I would find it very difficult if this were to be included.

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

Mrs. KELLY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, serving on the Committee on Financial Services has been a challenge at times and certainly a great pleasure. And I want to thank the gentleman from Ohio (Mr. OXLEY) for his leadership in championing the bill that we have before us.

The Kelly amendment, I believe, is a very worthwhile amendment. As free credit reports are extended to consumers, there will be an unquestionable strain on the system. Unfortunately, the system is not yet equipped to deal with the overwhelming requests for credit reports. It may result from offering free credit reports or other extraordinary events that may occur as people begin to request these free credit reports and overload the system.

Consumers who have identified the need to access their file will find their requests lost in an overburdened system. That will reduce service levels that could be dedicated to truly helping consumers who do have a concern about their files.

Yes, there is language in the manager's amendment that directs regulators as they construct a system for implementation to consider potential spikes in the volume of requests for their first year of implementation. The Kelly amendment, I believe, builds on this language and simply gives regulators the authority to respond on a temporary basis to the needs of consumers when credit bureaus are overwhelmed with requests.

If the regulators determine it is necessary to exercise this authority, the amendment also explicitly states that their temporary approach must maintain consumer access to credit reports for emergency or very time-sensitive requests, including instances of home purchases and suspected identity theft. Without this flexibility that this

amendment offers, customer services will undoubtedly decline as credit bureaus become overwhelmed with these requests. By giving regulators the authority to mitigate in these instances, credit bureaus will be able to devote better time and attention to those needing the requests.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1 minute.

One point, I recognize there could be a spike problem in the beginning. We should underline with regard to these requests, we are talking here about the problem of sending it out. Nobody has to send out a report that does not exist.

In other words, we are not imposing on the credit reporting agencies the duty of compiling the report anew. And I think that is something we ought to take into account. The question is simply whether after that first year they will be flooded, and the request is to simply send a report that exists. If no report exists, no obligation exists. And I do not think that the problem after the first year at this point is going to be so clearly a problem that we ought to write in this suspension. I am prepared to look at it later, but I think it would be a serious error at this point.

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

Mrs. KELLY. Mr. Chairman, does the gentleman have any further speakers on this issue?

Mr. FRANK of Massachusetts. Just myself to close, as we have the right to do.

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

Mr. Chairman, I believe this is an important work that I think we need to address before any conference report is finished. I think with an agreement with our chairman and with an agreement, hopefully, that was just stated by our ranking member, I think that I am willing to hopefully work with him in the spirit of cooperativeness here on the floor today.

Mrs. KELLY. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

Mr. FRANK of Massachusetts. Reserving the right to object, I would point out to the gentlewoman, the last time she and I had this conversation the result was a pretty good amendment to the manager's. I think we have a pretty good track record of working together.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The amendment is withdrawn.

Mr. EHLERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in order to enter into a colloquy with the distinguished chairman of the Committee on Financial Service.

Mr. Chairman, constituents in my district have brought to my attention a problem regarding the inability of certain people to obtain a credit rating

from a credit bureau, even when they are very creditworthy. This is an extremely troublesome issue given the importance of a credit rating in our society today. It is very difficult to function without credit. From placing a deposit when renting a car, to staying in a hotel to getting a mortgage for a home, people rely on credit every day. Indeed, credit bureaus wield a great deal of influence in this respect.

Unfortunately, the rules and formulas they apply can yield unjust and nonsensical results. For example, visiting scholars at our colleges and universities or other temporary workers from overseas who have good credit in their home countries, often industrialized countries with advanced credit and accounting systems, often cannot obtain credit when coming to America. This prevents them from obtaining a credit card which is so vital for proper functioning in this society.

As another example, one woman in my district worked overseas for about 10 years during which time her credit cards expired and she stopped transacting business with credit cards from America. Upon returning she had a nearly \$20,000 cash balance in a bank account but she was unable to get a credit bureau to rate her. She could not get a mortgage for a house, a credit card or even a retail store charge account. Despite her many years of good credit rating, this lull in credit usage eliminated her creditworthiness in the eyes of the number crunchers at the credit bureaus.

At the same time, credit card companies turn around and grant credit cards almost willy nilly to high school or college students with no credit history at all. These kinds of situations are unfair given the importance of a credit rating, good or bad, for so many financial transactions. It just does not make sense in many situations that some creditworthy people cannot get a credit rating at all despite having adequate cash resources or a positive history in another country.

Mr. Chairman, I would appreciate the time and effort of you and the committee to investigate whether a solution to these problems can be found.

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

Mr. EHLERS. I yield to the gentleman from Ohio.

Mr. OXLEY. Mr. Chairman, I understand the gentleman's concern and we have had some discussion about it. I would be pleased to work with him to explore what might be done to remedy these situations. It is certainly unfortunate that under our current system some situations like the ones you mentioned do arise preventing consumers, who are low credit risks, from obtaining credit quickly.

I look forward to working with the gentleman from Michigan (Mr. EHLERS) to see if we can address the legitimate concerns he raises.

Mr. EHLERS. Reclaiming my time, I thank the chairman for his assistance

and I look forward to working with him and the Committee on Financial Services on this important issue.

AMENDMENT NO. 1 OFFERED BY MR. KANJORSKI
Mr. KANJORSKI. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. KANJORSKI:

Page 7, strike line 13 and all that follows through line 24 and insert the following (and conform the table of contents accordingly):

SEC. 101. 9-YEAR EXTENSION OF UNIFORM NATIONAL CONSUMER PROTECTION STANDARDS.

Paragraph (2) of section 624(d) of the Fair Credit Reporting Act (15 U.S.C. 1681t(d)(2)) is amended to read as follows:

"(2) shall not apply after December 31, 2012."

The CHAIRMAN pro tempore. Pursuant to the order of the Committee of today, the gentleman from Pennsylvania (Mr. KANJORSKI) and the gentleman from Ohio (Mr. OXLEY) each will control 10 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. KANJORSKI).

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

Mr. Chairman, I strongly support the Fair and Accurate Credit Transactions Act. Nevertheless, I believe that we should alter the legislation to sunset the key elements of the bill at the end of 2012.

The gentlewoman from New York (Mrs. MALONEY) also joins me in sponsoring this pragmatic and reasonable amendment.

In June, I helped to introduce H.R. 2622 to extend the expiring provisions of the Fair Credit Reporting Act and to improve consumer protections. In my view, the 1996 amendments to create a national credit reporting system have expanded access to credit, lowered the price of credit, and accelerated decisions about getting credit. To continue this record of achievement, we need to extend the expiring provisions of this law before the end of the year.

While I support the FACT Act, I also continue to believe that we should amend the bill to include a 9-year sunset. As currently drafted, the legislation would permanently extend the seven expiring preemptions of State law within the Fair Credit Reporting Act. In my view, we should sunset the Uniformed National Consumer Protections Standards contained in H.R. 2622 at the end of 2012, and the Kanjorski-Maloney amendment accomplishes this narrow objective. Unlike current law, our amendment would not specifically allow States to enact additional credit reporting standards in the preempted areas after the 9-year sunset.

In referring to the U.S. relationship with the Soviet Union, Ronald Reagan once said that we should "trust but verify." We have adopted a similar approach with H.R. 2622. We should trust that the participants in the credit re-

porting industry will continue to work to comply with the law but verify that the consumers continue to have appropriate protections with respect to their credit in years ahead.

Mr. Chairman, a sunset provision provides industry with incentive to continue to work to advance the interest of consumers. Moreover, without a sunset, we may well have trust until some major problem causes chaos in the credit reporting industry and forces Congress to revisit the issue in a haphazard way.

□ 1830

Furthermore, a sunset provision will allow us to evaluate the effectiveness of our credit-reporting programs and policies within a predetermined time frame and force us to decide whether to alter them. In fact, the sunset imposed by Congress in 1996 has allowed us today to review in a methodical and systematic manner the success of the current law and make necessary improvements to it to reflect changes in the financial system.

Identity theft, for example, has dramatically increased in recent years. Technology has also changed greatly in the last 7 years. Mr. Chairman, the FACT Act before us today addresses both of these developments. It, therefore, makes sense to ask the 112th Congress to review and reconsider our work in the 108th Congress and make further improvements to our credit reporting laws. A sunset at the end of 2012 provides sufficient time for industry to implement the reforms called for in this bill, establishes sufficient surety for our financial marketplace, and allows for new issues to arise on the public policy landscape.

In closing, Mr. Chairman, I encourage my colleagues to make a good bill even better by supporting the sensible and practical Kanjorski-Maloney amendment to sunset H.R. 2622 at the end of 2012.

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

Mr. OXLEY. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. TIBERI).

Mr. TIBERI. Mr. Chairman, it is a pleasure to speak to this amendment as well as to the legislation at hand. I am opposing the amendment. The amendment obviously would eliminate the uniform standards established by the FCRA in the future in 9 years.

Congress did something very good in 1996, and it did so voluntarily. There was not anything about to expire with FCRA in 1996, and Congress established a national uniform standard for FCRA in 1996 that recognized, quite competently, that this was an experiment, an experiment that should last and be tested over a 7-year period. That 7-year period is coming to an end on January 1 of 2004.

Over 100 witnesses through eight hearings loudly, clearly told our committee, Democrats and Republicans, that what we have had over the last 7

years and what Congress did in 1996 was quite successful. It has been successful for our economy, but, most importantly, successful for American consumers.

We are now, as American consumers, leaders of the world as far as credit goes, mortgage credit, consumer credit. And FCRA and the exemptions, the eight exemptions did that.

What we do not want to do is do this again in 9 years because what we have seen in the last 7 years and what was done in 1996 was done correctly.

Now, ladies and gentlemen, the committee rejected this amendment. We heard from, as I said, over 100 witnesses. Three of those witnesses included the Federal Trade Commission chairman, Chairman Greenspan, and Treasury Secretary Snow. They, too, believe this is the right way to go and support this legislation in its current form.

Now, there has been discussion on the floor today about what has been happening on the left coast and what has been happening in their legislature and what has been happening with their Governor who is in the process of being recalled. Well, this legislation is a great piece of legislation. I am afraid that because of their action, this Congress will be dealing with issues because of the California legislature in years to come.

This legislation today and what has happened in the last month out West demonstrate why this piece of legislation in its current form without the current amendment being offered is the right way to go.

The arguments that Congress will not address or will not be able to address, the problems or potential problems in the future without this amendment are unfortunately baseless because Congress can address issues pertaining to FCRA or issues pertaining to identity theft in 2 years, 3 years, 4 years, or 5 years.

Members of the House, the amendment is supported by some because they hope that the national uniform provisions will expire.

The national standard is good for consumers. It is good for America. This is a good bill drafted by the gentleman from Ohio (Chairman OXLEY) and the gentleman from Alabama (Mr. BACHUS). I support the bill. I urge my Members of the House and the Republican and Democrat side to reject the amendment from my learned colleague.

I thank the Members of the House for supporting this bill.

Mr. KANJORSKI. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New York (Mrs. MALONEY).

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

Mr. Chairman, I am very pleased to be an original cosponsor of the Fair Credit and Reporting Act. Over the course of several months the committee conducted comprehensive hearings and produced a balanced bill that

preserves the national credit market and enhances consumer protections.

I do not think any reasonable person would question the fact that the engine driving these improvements is the sunset provision put in the original Fair Credit and Reporting Act in 1996 that expires at the end of this year. Without the present sunset, consumers would not be getting free credit reports or access to their scores as they will be in this underlying bill.

Without the sunset, the Congress would not be forced to conduct months of hearings on the fundamental questions of credit report accuracy, identity theft, the privacy of medical records, and access to credit reports. These are major, all-important new rights that the underlying legislation grants to consumers that result directly from the current sunset.

In offering this amendment today, the gentleman from Pennsylvania (Mr. KANJORSKI) and I seek to strike a balance. Nine years ensures that the legislation will be revisited, but it grants the financial services industry a prolonged period of time during which it will not have to be concerned about major changes of law that will affect company operations.

I applaud my colleague, the gentleman from Pennsylvania (Mr. KANJORSKI), for being consistent in his desire to sunset the programs Congress creates. I think this approach is particularly important on this issue and on the legislation before us tonight.

Nine years ago, the world was a very different place. Technology has completely changed the manner our constituents access financial services in that time, and things are likely to be just as different 9 years from now; and it is appropriate that Congress revisit this law at that point.

For that reason and the others illustrated by my colleague, I deeply and truly do believe that this amendment is a very important one, and I strongly support it.

Mr. OXLEY. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Chairman, the gentleman from Ohio (Mr. TIBERI) spoke in opposition to this amendment and I think basically said everything that needed to be said on this particular amendment; and I think the most important thing he said is that Congress has demonstrated, because they have done it in the past, they are free to revisit and fine-tune FCRA anytime they wish; and they did that in 1996, even though there was not an impending deadline.

Far more important is what we learned in our hearing and how good the national credit reporting system is to our Nation. I am not sure that anybody disagrees with that, that anybody thinks that it ought to be experimented with, that it ought to expire in 9 years. It is very good for consumers. It has been particularly good in democratizing credit and extending credit to

middle- and low-income Americans; and to limit that to 9 years, we do not do that with the Community Reinvestment Act. We do not do that to the Equal Credit Opportunity Act. We do not do that to our other acts which protect consumers, and this act is for the benefit of consumers and it protects consumers.

Let me conclude by saying the gentleman from Ohio (Mr. TIBERI) is one of our younger members of our committee, an outstanding member. It is just one example of the many young members that we have on our committee that have really had real input in this bill. I want to commend all of them.

I will close by commending the gentleman from Ohio (Mr. OXLEY) giving me the opportunity to work on this bill, for making it a priority, for realizing early that we needed multiple hearings. I would also like to commend these people: the gentleman from Massachusetts (Mr. FRANK), the gentleman from Oregon (Ms. HOOLEY), the gentleman from Kansas (Mr. MOORE), the gentleman from Ohio (Mr. LATOURETTE), the gentleman from Illinois (Mrs. BIGGERT), and other members of the committee.

Mr. KANJORSKI. Mr. Chairman, can I inquire as to the time remaining.

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The gentleman from Pennsylvania has 3½ minutes remaining. The gentleman from Ohio (Mr. OXLEY) has 4½ minutes remaining.

Mr. KANJORSKI. Mr. Chairman, I yield myself such time as I may consume. I do not think we need our 3½ minutes. I have no other speakers, Mr. Chairman.

Mr. Chairman, I guess I want to first say one of the privileges of serving in the House of Representatives is the opportunity to meet the Members of Congress on the other side of the aisle, and one of the Members of Congress that has been very instrumental in this bill is my good friend, the gentleman from Alabama (Mr. BACHUS); and he and I do not agree on a lot of things philosophically, but he represents the type of qualities that this House needs more of. So it has been such a pleasure to see him cochair this subcommittee and accomplish the almost unanimous consent of this committee on this piece of legislation, and it goes a great deal to his innate abilities and his just Southern gentlemanliness of how to accomplish a good piece of legislation. So I want to compliment him.

I disagree on the proposition that it hurts to sunset things. I think my colleague and I probably agree and have voted for sunset provisions. I am probably on most of the committees I serve on known as the sunset person. I like to sunset everything. The reason I like to sunset everything is it forces the Congress of the United States to come back, reevaluate, restudy and bring up to date needs that otherwise are not driven by public recognition or by commonality in the public force to cause legislation to be addressed.

In my opening remarks, I said that it is important that we trust industry, and I think as a Member of my side of the aisle what I want to say is that I have met with all of the interested parties in the reporting industry and the financial industry, and I have found them all working toward a common effort to increase credit, to increase accessibility to credit, and increase efficiencies to benefit consumers. So we have no disagreements on that.

Between now and 2012 there will be changes in technologies and changes for needs, and in my opening remarks I also said I like the idea of trust but verify. There will be some elements of the society that want to take advantage or not comply with the act. It will give us an opportunity to evaluate that and find out methods that we can reward good practitioners of fair credit and at least bring into the limelight bad practitioners of good credit.

I just do also want to take one moment to respond to my gentleman friend from Ohio. He referred to the left coast, and I am not sure, was he looking north or looking south because he may have been attacking my hometown. I could be on the left coast if one is looking south.

The comment I want to make to my colleague is there is a fundamental illogic in his argument. He said that the left coast is having this recall and they are, and he seems to favor the recall. The recall probably is an element of sunset provisions, that is, the opportunity to require a retesting out there of an election of a Governor.

□ 1845

So if my colleague is in favor of not having sunset and not having recalling, then I suggest he talk to one of his fellow colleagues on his side, because I think he brought this about with the argument that the people should be protected with the right to recall.

I do not favor recall, but in the Congress I do favor a sunset provision because it will give us the opportunity to reevaluate, rejudge, and have oversight and correct some mistakes made in the initial legislation. So I urge all my colleagues on the Republican side, the Democratic side, and those that are Independent, in the middle, to support this amendment.

Mr. OXLEY. Mr. Chairman, I yield myself such time as I may consume, and in conclusion I would say to my good friend from Pennsylvania that this is a philosophical difference. Clearly, he makes some interesting arguments. The amendment was, in fact, rejected in the committee.

In fact, FCRA, as other Members have said on both sides of the aisle today, has been a very successful piece of legislation. It has provided consistency, reliability, certainty, and uniformity in our credit laws. And that has had enormous consequences for our economy and for consumers, as has been chronicled time and time again during the period of this debate.

I would suggest that this act that we are now seeking to make permanent has stood the test of time for 7 years, and it is now time that we make this permanent so that credit agencies, people who get credit, issuers, furnishers, everybody concerned knows what the rules are, knows that those rules are effective and work well, and that they will be permanent.

So I respectfully oppose the Kanjorski amendment.

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

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). All time for debate has expired. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. KANJORSKI).

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

Mr. KANJORSKI. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Pennsylvania (Mr. KANJORSKI) will be postponed.

AMENDMENT NO. 3 OFFERED BY MR. INSLEE

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

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. INSLEE:

Page 80, after line 5, add the following new title (and conform the table of contents accordingly):

TITLE VIII—TECHNICAL CORRECTIONS

SEC. 801. AMENDMENTS RELATING TO SECTIONS 625 AND 626 OF THE FAIR CREDIT REPORTING ACT.

(a) SECTION 625.—Section 625(h) of the Fair Credit Reporting Act (15 U.S.C. 1681u(h)) is amended by striking “Committee on Banking, Finance and Urban Affairs” and inserting “Committee on Financial Services”.

(b) SECTION 626.—Section 626 of the Fair Credit Reporting Act (15 U.S.C. 1681v) is amended—

(1) in subsection (b), by striking “a supervisory official designated by”; and

(2) by adding at the end the following new subsections:

“(f) REPORTS TO THE CONGRESS.—On a semi-annual basis, the head of a Federal agency authorized to conduct investigations of, or intelligence or counterintelligence activities or analysis related to, international terrorism shall fully inform the Permanent Select Committee on Intelligence and the Committee on Financial Services of the House of Representatives, and the Select Committee on Intelligence and the Committee on Banking, Housing, and Urban Affairs of the Senate concerning all requests made pursuant to subsections (a).

“(g) PAYMENT OF FEES.—A Federal agency authorized to conduct investigations of, or intelligence or counterintelligence activities or analysis related to, international terrorism shall, subject to the availability of appropriations, pay to the consumer reporting agency assembling or providing report or information in accordance with procedures established under this section a fee for reimbursement for such costs as are reasonably necessary and which have been directly incurred in searching, reproducing, or transporting books, papers, records, or other data

required or requested to be produced under this section.”.

Mr. OXLEY. Mr. Chairman, I reserve a point of order.

Mr. INSLEE. Mr. Chairman, we have an amendment that will cure a modest imperfection that occurred essentially due to the PATRIOT Act. It is something that I think actually may have been an oversight, but it is something we would like to take a shot at solving today.

Mr. Chairman, while the FBI for years has been allowed to have access to our credit reports, we have wisely included certain conditions in the law about the FBI being able to dial up and get access to citizens' credit reports. There is a requirement that there be a sign-off by the Director or someone appointed by the Director, and that there be a report to Congress and that there be payment to the credit reporting agency for the costs associated with sharing the information. These are reasonable conditions and requirements for privacy concerns.

Unfortunately, when we adopted the PATRIOT Act, we did not include those conditions, those privacy protections, when it applied to the ability now for the Treasury Department and a host of other investigatory agencies who can now essentially call up and get citizens' reports. So our amendment would simply require the same privacy protections that apply to the FBI's getting access to our credit reports to other investigatory agencies.

We understand that there is a point of order raised on this, but we have brought this to the Chair's attention; and we hope as this matter moves along, the chairman will look for a way to solve this problem at a later date as this legislation matures. It is very solvable, it needs to be resolved, and it should not be controversial. So we hope that that will occur.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

AMENDMENT NO. 6 OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. FRANK:

Page 44, strike lines 9 and 10 and insert “Section 612 of the”.

Page 44, beginning on line 14, strike “described in section 603(p)” and insert “that compiles and maintains files on consumers on a nationwide or regional basis”.

Page 44, strike line 18 and all that follows through line 22.

The CHAIRMAN pro tempore. Pursuant to the order of the Committee of today, the gentleman from Massachusetts (Mr. FRANK) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, there has been a good deal of self-congratulation on this bill, but some of it is not yet deserved. I hope after the adoption of this amendment it will be.

We have congratulated ourselves on, among other things, providing under this amendment for free copies once a year of credit reports to consumers. Indeed, we had a colloquy with the gentleman from New York about the flood that was going to happen; and at one point in committee. Language was adopted which did provide all consumers with free copies of all credit reports that might have been done on them.

Then an amendment was adopted in committee, and I wish it had not been adopted, it was not by vote, it just happened, which substantially limited it. So as of now, as the bill stands, if this amendment is not adopted, consumers can get free copies of their credit reports, consumers in general, from only one of the three major national credit agencies. And that is a good thing, but there are an awful lot of specialized credit agencies. There are regional credit agencies. Not as many. Some that remain from previously. There are local credit agencies. My amendment does not cover them; I leave them out. They had been in the original bill, but I had agreed to a cutback. The cutback went much further than I thought we had agreed to.

So what this amendment says is an individual should be able to get a free copy of their credit report from the national specialized credit agencies, and there are large numbers of national agencies. One of the most important is the Medical Information Bureau, and I have spoken to them. They have no objection to being in this requirement. They give medical information, which would be relevant. There is also ChoicePoint, CheckSystems, CLUE, and Landlords United. A lot of these national specialized agencies have to do with landlord-tenant agencies.

So if this amendment does not pass, please do not try to take credit for passing a bill that generally gives consumers a right to a free credit report. It gives consumers a right to a limited pool of free credit reports, those from the major national credit agencies. But a large number of the agencies which compile credit on people will be excluded from the bill, and I think that would be a severe error and a misrepresentation.

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

Mr. BAKER. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN pro tempore. The gentleman from Louisiana (Mr. BAKER) is recognized for 10 minutes.

Mr. BAKER. Mr. Chairman, I yield myself such time as I may consume, and I rise in opposition to the gentleman's amendment.

During the course of the committee deliberations, I was concerned about the consequences of the mandatory credit report obligation on those entities within communities which are basically small businesses. The three principal national credit reporting entities are responsible for in excess of 95 percent of all credit reporting activities, financial in nature, within the country.

I offered an amendment in committee which I represented to the gentleman that would affect what we deemed to be small reporting agencies in nature, to which there was agreement in that principle. The effect of the amendment, subject to further review, though it was not the intent, was clearly to go beyond just the very small credit bureaus in the way in which the amendment was constructed. I then understood, by error, the intent of the amendment was better than I originally thought.

Although I was aiming only at the very small credit bureaus, for which it would be an economic disadvantage of some significance for them to provide this level of free report and, furthermore, who are not now required under law to provide a free credit report for this reason, it also went to other entities, for example, MIB or other health-related reporting entities under the broad definition of consumer reporting enterprises that also required them to provide the free credit report. By inadvertence, my amendment was a little broader in scope than I thought, but in principle and effect I agree with the consequences of my amendment.

I support the gentleman's view that the three large credit-reporting entities, which conduct over 95 percent of the disclosure of financial matters of consumers, should be subject to this now new one additional reason for a provision of a free credit report. The adoption of this amendment, however, if the House were to accept the gentleman's position, would be to require all consumer-related reporting agencies, even the smallest, to provide this free credit reporting information even to their financial detriment.

Although there was some disagreement in the construct of the amendment in the committee, I would still reserve my objection to the gentleman's amendment; and I think it is a policy matter for the House to determine whether we would accept any relief from the requirement for the free credit report or would we accept the gentleman's position to require all entities regardless of economic consequence to provide the mandated credit report.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1 minute and would say first that the gentleman has correctly stated it. And, frankly, I relied when that amendment was offered on what he now concedes was a misinterpretation. That is not a good way

to legislate. And I am disappointed that the gentleman is going to try to keep the advantage of that misunderstanding.

Secondly, it is inaccurate to say that this amendment that I am now offering would cover everybody. I have agreed to exempt in this amendment the local credit agencies. I am talking about the national specialized ones. They are the primary difference between us.

The gentleman acknowledges and he explained an amendment that I did not think and I guess he did not think covered people like MIB. We did not object to it. It was not carefully read. We accepted the description. He says through inadvertence it went too far. That happens. But I think it is frankly inappropriate in terms of our legislatively working together to insist on that, particularly since I am not trying to restore the original language. I am excluding the small ones.

Mr. Chairman, what this does is this covers the few regional ones, but mostly it covers national specialized agencies which do not merit the description of those who are too poor.

So I think, once again, if we reject this amendment, we have what the gentleman concedes is an inadvertent amendment that was adopted that excludes a number of agencies and we cannot say that it gives everybody free credit reports.

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

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

I simply point out in fairness to the gentleman that the discussion of regional reporting entities was not really a discussion point within the committee discourse. My concern was the economic consequences on the very small. And upon reflection of the impact of the amendment addressing the question of regionals and economic concerns, the arguments are the same.

I still feel that the exemption that I am attempting to preserve in the bill is appropriate and understand the gentleman's philosophic view that all of these enterprises at the regional level should be required to provide the free report.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Put aside the regionals. What about the national specialized agencies, like MIB? This amendment could be amended under the rules. An amendment could be offered to amend this, a second degree amendment. Would the gentleman agree to exclude the regionals and cover the specialized national ones?

Mr. BAKER. Mr. Chairman, reclaiming my time, let me suggest this to the gentleman, in light of everyone here present and observing this. I will be most happy not to repeat the same mistake I made at the committee and agree with the gentleman that in fact a description and analysis of the special-

ties does result in the view that they are large enough and sufficient in scope; I will commit to work with the gentleman going forward.

Mr. FRANK of Massachusetts. Where? This is the end of the bill.

Mr. BAKER. Well, it will likely be in conference, I would suggest, because there will be no assurance that the bill we pass here will seek Senate approval or uniformity with the Senate.

I would suggest to the gentleman that adopting here at the moment, without having a full listing of those specialty organizations, would be difficult for me to assess the effect. But I am not trying to obstruct the gentleman's interest and believe that the bill as constructed in its current form is appropriate.

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

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1 minute to express my extreme disappointment.

I relied on an explanation the gentleman now acknowledges was erroneous when this amendment was adopted. The gentleman says it goes too far. I have offered to try to compromise. He now tells me that after the bill has passed, he will work with me. That offer is worth about as much as the explanation I got, apparently. And it may or may not be a conferencable item. I do not know whether the Senate will have any language in this.

So I must express my extreme disappointment. This is not conducive to a cooperative working relationship. I must say to the gentleman from Louisiana. We tried to do this through negotiations in the manager's amendment; we have tried to repair this. And the gentleman has at every point said, no, I won because there was a misunderstanding, and that is it.

□ 1900

Mr. Chairman, I cannot consider that to be a reasonable offer to work together.

Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, I thank the gentleman from Massachusetts (Mr. FRANK) for yielding me this time.

Mr. Chairman, I rise in strong support of the Frank amendment. As we have heard, the base bill would allow every American access to a free annual consumer report upon request from the three national credit reporting agencies, and I salute the provision, as does the ranking member.

But as we all know, while the Fair Credit Reporting Act deals primarily with credit-reporting agencies, the underlying statute we are amending today through the FAIR Act deals with all consumer reporting agencies. These include credit investigative medical tenant reporting agencies, among many others.

Unfortunately, this bill inadvertently limits consumers to requesting

and reviewing only one free credit report annually from the three national reporting agencies, meaning this bill does not permit consumers to obtain free reports from hundreds of specialized national consumer reporting agencies that compile information on consumers for noncredit purposes.

This provision is necessary in order to correct this oversight and ensure free annual consumer reports from all entities covered by the Fair Credit Reporting Act, whether they be credit agencies or other information-gathering agencies.

We need to ensure that this legislation lives up to the spirit of what all of its supporters intended, including myself, that of allowing Americans access to all consumer reports compiled on them by information-reporting bureaus, not just credit reports, but medical reports and other reports about people's personal information.

I do recognize that the Medical Information Bureau, which I have worked closely with, for their agreement to provide these free annual reports upon request, but even with this agreement, there are too many information-gathering agencies which are exempt and will remain unresponsive from these provisions without passage of this amendment.

These consumer-reporting agencies include but are not limited to companies that compile consumer information relating to medical records, employment background checks, tenant screening, driving records, insurance claims, criminal records and check-writing history. In fact, in recent years, it has become evident that two companies, only two companies almost dictate which consumers can open checking accounts based upon the reports and scores they provide to financial institutions.

These information gatherers must be included under the obligation to ensure free annual reports to individuals upon the consumer's request. This will ensure greater accuracy and transparency, what I believe is the basic goal of the underlying bill today.

Everyone should support this amendment. It does not change the bill, but rather clarifies the intent of all of its supporters, of which I am one. I urge my colleagues to support this amendment.

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

Mr. Chairman, I wish to address the view of the gentleman with regard to the consequences of these determinations. The focus of the bill was to provide those individuals without financial resources or for just cause access to a credit report without having to pay for it.

In our negotiations or discussions about resolution of the matter, I am willing and would support an amendment that would preserve that right for those protected classes under the bill to have access to a free credit report, regardless of the nature of that credit-reporting entity.

What I did not want to require was a broad-based requirement for either the specialty or the small business credit reporting agency to be under a monetary obligation to provide all requesters a free credit report. I think that is a fair position, given my concerns about the economic impact on these business enterprises, and would be reluctant not to provide that measure of equity to the regional reporting agencies without understanding better the economic consequences.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 2 minutes to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Chairman, I rise in support of the Frank amendment to the Fair Credit Reporting Act. One of the things that happened in committee, and it is unfortunate because of a misunderstanding, all of a sudden we are restricting these free credit reports.

One of the big deals about passing this bill was that everyone got a free credit report. The Frank amendment allows all consumers to obtain a free annual credit report from any nationwide consumer reporting agency. It eliminates the provision in the bill that restricts consumers to getting their free annual credit report from just three national consumer reporting agencies. The amendment also restores the right of consumers who are unemployed or on public assistance or believe they have been a victim of fraud to obtain a free credit report from any consumer reporting agency. Right now they can get that from all of the major credit reporting agencies. Under this bill, as it is currently written without this amendment, they will be restricted. They will only be able to get these free reports from local or regional consumer reporting agencies.

I believe I speak for both sides of the aisle when I say it was never the intention of the Committee on Financial Services to strip away these rights that these disadvantaged groups have under current law, and these groups are already entitled to a free credit report from the national agencies. We should not be restricting access to credit reports for the disadvantaged, while at the same time, giving the rest of the Nation's consumers even more access to their credit information. This amendment will restore the additional access to credit information that these disadvantaged groups currently enjoy, and this amendment should have been part of Fair Credit Transaction Act from day one.

Again, one of the primary intentions of this legislation was to increase access to information for all Americans, and by supporting the Frank amendment, we will be doing just that. I urge Members to vote yes on the Frank amendment.

Mr. BAKER. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. OXLEY).

Mr. OXLEY. Mr. Chairman, let me just say, having participated obviously

in the markup and listening to the debate on the floor, I think all Members want to preserve the protected class. I do not think that is really an issue. Also, I think there is some concern that very small agencies ought to have some exemption from the free credit report.

I would indicate to the gentleman from Massachusetts (Mr. FRANK) my efforts to try to solve that problem. I think it is going to be impossible at this point in the process, but going forward, particularly in conference, I have every reason to think that we can come to a good conclusion. We all, I think, recognize that the protected class should continue to have access to free credit reports, as they always have had, as the gentlewoman from Oregon (Ms. HOOLEY) so carefully pointed out.

The real issue is the exemptions of the small agencies that represent approximately 10 percent of those credit reports. I do not think at the end of the day the position of the gentleman from Massachusetts (Mr. FRANK) and the gentleman from Louisiana (Mr. BAKER) are all that different, and I would simply say that I would pledge my efforts towards reaching a good conclusion towards both gentlemen's aims.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I guess I must look pretty stupid to be told that people are going to work with me at the end of the bill.

This process has been going on since we finished the markup. My staff was negotiating with the staff of the majority. We offered all kinds of things. We had the manager's amendment opportunity. This amendment was filed last night. It was subject to secondary degree amendment. It could have been changed.

The gentleman from Ohio (Mr. OXLEY) said there is no real difference between my position and the position of the gentleman from Louisiana. Let me correct the gentleman, there is no difference between my position and the position the gentleman from Louisiana explained when the amendment was offered; but there is a big difference between my position and what the law says if we pass this bill this way.

We talk about the protected classes, people who have been the victims of fraud, people who are unemployed, if you pass this bill and defeat this amendment, they will have less rights thanks to your work than they have today. The amendment of the gentleman from Louisiana (Mr. BAKER), he said through inadvertence, took away their rights. Whatever they use to take away their rights, whether it was inadvertence, advertence, or anything else, they have lost their rights.

Now after saying no to a negotiation before, no to the manager's amendment, and no to an amendment here, now the other side says we will see you in conference. Let me make a commitment to the gentleman. If you want to

use your majority to defeat this amendment, I probably cannot stop you; but if this is not substantially repaired in conference, this bipartisan consensus is coming to an end.

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

Let me return to the basis of the current law and what the effect of the amendment would be if adopted. Today, any person who is the subject of an adverse action, you get turned down, you have an absolute right to a free credit report regardless of your economic status.

If you are a consumer who suspects fraudulent conduct regardless of your economic status, you get a free credit report. If you are unemployed, you get a free credit report. If you are subject to public welfare, you get a free credit report. The amendment adopted I proposed in committee does not, in any way, limit or affect those rights that exist under current law. The bill as proposed without the amendment I offered would have established one more level for a free credit report.

I was and am willing, as is the current law with regard to these categories, to say that with regard to the one additional credit report, that the protected classes may have access to that information without charge. But it is not a correct view of the effect of the Baker amendment as adopted to suggest that it rolls back current protections and authorities of those desiring to get a free credit report. It would with regard to the new right being adopted by passage of the Act. That is the state of affairs if we defeat the Frank amendment, which I hope the House will engage in; and again, renew the pledge to the gentleman, despite his difficulties with the manner under which this has proceeded, if we are fortunate enough to be on such a conference, to work with the gentleman toward appropriate resolution, and would hope the House would reject the Frank amendment.

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

The CHAIRMAN pro tempore (Mr. CULBERSON). The question is on the amendment offered by the gentleman from Massachusetts (Mr. FRANK).

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

Mr. FRANK of Massachusetts. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Massachusetts (Mr. FRANK) will be postponed.

AMENDMENT NO. 9 OFFERED BY MRS. TAUSCHER

Mrs. TAUSCHER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 9 offered by Mrs. TAUSCHER:

Page 69, after line 5, insert the following new section (and conform the table of contents accordingly):

SEC. 510. REQUESTS BY CONSUMERS FOR REASONABLE PROCEDURES FOR ESTABLISHING NEW CREDIT.

Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended by inserting after subsection (e) (as added by section 403 of this Act) the following new subsection:

“(f) REQUESTS BY CONSUMERS FOR REASONABLE PROCEDURES FOR ESTABLISHING NEW CREDIT.—

“(1) IN GENERAL.—Any consumer may submit a request to a consumer reporting agency that any person who uses a consumer report of such consumer to establish a new credit plan in the name of the consumer utilize reasonable policies and procedures described in paragraph (4).

“(2) PLACEMENT IN FILE.—Any consumer reporting agency that receives a request from a consumer shall include the request in the file of the consumer.

“(3) NOTICE TO USERS.—No person who obtains any information from a file of any consumer from a consumer reporting agency that includes a request from the consumer under this subsection may establish a new credit plan in the name of the consumer for a person other than the consumer without utilizing reasonable policies and procedures described in paragraph (4).

“(4) REASONABLE POLICIES AND PROCEDURES.—The notice included by the consumer reporting agency pursuant to the request of the consumer shall state that the consumer does not authorize establishing any new credit plan in the name of the consumer, unless the user utilizes reasonable policies and procedures to form a reasonable belief that the user knows the identity of the person for whom such new plan is established, which may include obtaining authorization or preauthorization of the consumer at a telephone number designated by the consumer or by such other reasonable means agreed to.”

The CHAIRMAN pro tempore. Pursuant to the order of Committee of today, the gentleman from California (Mrs. TAUSCHER) and a Member opposed to the amendment each will control 5 minutes.

The Chair recognizes the gentleman from California (Mrs. TAUSCHER).

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

Mr. Chairman, I rise today to ask my colleagues to support a simple amendment. Currently only consumers who can prove that they already have been victims of identity theft can ask the credit industry to confirm the identity of a person before issuing new credit accounts under the consumer's name. My amendment would simply allow any consumer the option to require the credit industry to use the reasonable policies and procedures identification standards established in the fraud alert provision. This amendment would give all consumers, students, military, the elderly and families, a meaningful way to protect their own personal credit records.

Proponents of this bill claim that the fraud alert provision creates powerful consumer protection tools to prevent identity thieves from opening accounts in their names. They fail to mention that the tools are available only after one becomes a victim. Talk about closing the barn door after the horse is out.

□ 1915

The credit industry argues that the public needs education to learn how to protect their data. While there are some precautions individuals can take, individual consumers have little or no means to protect themselves from the fastest-growing type of identification theft, theft from poorly protected databases. Since 1990, 33 million Americans, or one in six adults, have been victims of identity theft. This year businesses will lose \$4.2 billion to this crime, losses that will ultimately be passed on to other customers. Earlier this year, the major credit card companies confirmed that a hacker broke into their systems and accessed 8 million credit card records. My amendment would provide all consumers an option to proactively protect their personal information against fraudulent use by identity thieves, organized crime and terrorist organizations.

Mr. Chairman, I would like to ask the distinguished ranking member from Massachusetts to work with me and the members of the committee during conference to implement the spirit of my amendment in the final report.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mrs. TAUSCHER. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman for her spirit of cooperation. I think she is very much right on the substance. We did have to try to work out a balance out of committee. Some of us, as you recently saw, were more willing to stick to our commitments than others; but I would say to the gentleman, I think that in substance she has a very good idea and, yes, I would welcome the chance to try to work with her in conference assuming that there is something conferencable about this, as there may well be.

Mrs. TAUSCHER. I thank the gentleman.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore (Mr. CULBERSON). Is there objection to the request of the gentleman from California?

There was no objection.

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. 4 offered by the gentleman from Vermont (Mr. SANDERS), amendment No. 1 offered by the gentleman from Pennsylvania (Mr. KANJORSKI), amendment No. 6 offered by the gentleman from Massachusetts (Mr. FRANK), and amendment No. 12 offered by the gentleman from Ohio (Mr. NEY).

The first electronic vote will be conducted as a 15-minute vote. The remaining electronic votes in this series will be conducted as 5-minute votes.

AMENDMENT NO. 4 OFFERED BY MR. SANDERS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Vermont (Mr. SANDERS) 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 142, noes 272, answered “present” 1, not voting 19, as follows:

[Roll No. 495]

AYES—142

Abercrombie	Hinchey	Olver
Ackerman	Hoefl	Ortiz
Aderholt	Honda	Otter
Bachus	Hyde	Owens
Baldwin	Jackson (IL)	Pallone
Ballance	Jackson-Lee	Pascrell
Barton (TX)	(TX)	Pastor
Becerra	Jefferson	Payne
Bereuter	Jenkins	Pomeroy
Berman	Johnson, E. B.	Rahall
Bishop (NY)	Jones (NC)	Reyes
Blumenauer	Jones (OH)	Rodriguez
Brady (PA)	Kaptur	Rogers (AL)
Brown (OH)	Kennedy (RI)	Rothman
Brown, Corrine	Kildee	Roybal-Allard
Capps	Kilpatrick	Rush
Capuano	Klecza	Ryan (OH)
Carson (IN)	Kucinich	Sabo
Clay	LaHood	Sanchez, Linda
Conyers	Lampson	T.
Cooper	Langevin	Sanders
Costello	Lantos	Schakowsky
Cubin	Larson (CT)	Schiff
Cummings	LaTourette	Scott (GA)
Davis (AL)	Lee	Scott (VA)
Davis (CA)	Levin	Serrano
DeFazio	Lewis (GA)	Shays
Delahunt	Lofgren	Sherman
DeLauro	Lowey	Slaughter
Deutsch	Lynch	Solis
Dicks	Maloney	Stark
Dingell	Matsui	Strickland
Doggett	McCarthy (MO)	Taylor (MS)
Doyle	McGovern	Tierney
Duncan	McNulty	Udall (NM)
Edwards	Meehan	Van Hollen
Eshoo	Meek (FL)	Visclosky
Etheridge	Menendez	Wamp
Evans	Millender-	Waters
Farr	McDonald	Watson
Fattah	Miller, George	Watt
Filner	Mollohan	Waxman
Frost	Moran (KS)	Weiner
Gonzalez	Moran (VA)	Weldon (PA)
Green (TX)	Nadler	Wexler
Grijalva	Napolitano	Whitfield
Gutierrez	Neal (MA)	Wu
Harman	Oberstar	
Hastings (FL)	Obey	

NOES—272

Akin	Blackburn	Buyer
Alexander	Blunt	Calvert
Allen	Boehert	Camp
Andrews	Boehner	Cannon
Baca	Bonilla	Cantor
Baird	Bonner	Capito
Baker	Bono	Cardin
Ballenger	Boozman	Cardoza
Barrett (SC)	Boswell	Carson (OK)
Bartlett (MD)	Boucher	Carter
Bass	Boyd	Case
Beauprez	Bradley (NH)	Castle
Bell	Brady (TX)	Chabot
Berkley	Brown (SC)	Chocola
Berry	Brown-Waite,	Clyburn
Biggart	Ginny	Coble
Bilirakis	Burgess	Cole
Bishop (GA)	Burns	Collins
Bishop (UT)	Burr	Cox

Cramer	Israel	Pryce (OH)
Crane	Issa	Putnam
Crenshaw	Istook	Quinn
Crowley	John	Radanovich
Culberson	Johnson (CT)	Ramstad
Cunningham	Johnson (IL)	Regula
Davis (FL)	Johnson, Sam	Rehberg
Davis (TN)	Kanjorski	Renzi
Davis, Jo Ann	Keller	Reynolds
Davis, Tom	Kelly	Rogers (KY)
Deal (GA)	Kind	Rogers (MI)
DeGette	King (IA)	Rohrabacher
DeLay	King (NY)	Ros-Lehtinen
DeMint	Kingston	Ross
Diaz-Balart, L.	Kirk	Royce
Diaz-Balart, M.	Kline	Ryan (WI)
Dooley (CA)	Knollenberg	Ryun (KS)
Doolittle	Kolbe	Sanchez, Loretta
Dreier	Larsen (WA)	Sandlin
Dunn	Latham	Saxton
Ehlers	Leach	Schrock
Emanuel	Lewis (CA)	Sensenbrenner
Engel	Lewis (KY)	Sessions
English	LoBiondo	Shadegg
Everett	Lucas (KY)	Shaw
Feeney	Lucas (OK)	Sherwood
Ferguson	Majette	Shimkus
Flake	Manzullo	Shuster
Fletcher	Marshall	Simmons
Foley	Matheson	Simpson
Forbes	McCarthy (NY)	Skelton
Ford	McCollum	Smith (MI)
Fossella	McCotter	Smith (NJ)
Frank (MA)	McCrery	Smith (TX)
Franks (AZ)	McHugh	Smith (WA)
Frelinghuysen	McInnis	Snyder
Galleghy	McIntyre	Souder
Garrett (NJ)	Meeks (NY)	Spratt
Gerlach	Mica	Stearns
Gibbons	Michaud	Stenholm
Gilchrest	Miller (FL)	Stupak
Gillmor	Miller (MI)	Sullivan
Greengy	Miller (NC)	Sweeney
Gooe	Miller, Gary	Tancredo
Goodlatte	Moore	Tanner
Gordon	Murphy	Tauscher
Goss	Murtha	Tauzin
Granger	Musgrave	Taylor (NC)
Graves	Myrick	Terry
Green (WI)	Nethercutt	Thomas
Greenwood	Neugebauer	Thomas (CA)
Gutknecht	Hall	Thornberry
Hall	Northup	Tiahrt
Harris	Norwood	Tiberi
Hart	Nunes	Toomey
Hastings (WA)	Nussle	Towns
Hayes	Osborne	Turner (OH)
Hefley	Ose	Turner (TX)
Hensarling	Oxley	Upton
Hergert	Paul	Velazquez
Hill	Pearce	Vitter
Hinojosa	Peterson (MN)	Walden (OR)
Hobson	Peterson (PA)	Walsh
Holden	Petri	Walden (FL)
Hoolley (OR)	Pickering	Weller
Hostettler	Pitts	Wicker
Houghton	Platts	Wilson (NM)
Hoyer	Pombo	Wilson (SC)
Hulshof	Porter	Wolf
Hunter	Portman	Wynn
Insee	Price (NC)	Young (AK)
Isakson		Young (FL)

ANSWERED “PRESENT”—1

Ruppersberger
NOT VOTING—19

Burton (IN)	Janklow	Pence
Davis (IL)	Linder	Rangel
Emerson	Lipinski	Thompson (MS)
Gephardt	Markey	Udall (CO)
Hayworth	McDermott	Woolsey
Hoekstra	McKeon	
Holt	Pelosi	

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. CULBERSON) (during the vote). Members are advised they have 2 minutes within which to record their vote.

□ 1937

Messrs. CARDOZA, BARTLETT of Maryland, SANDLIN, CLYBURN, MICHAUD, ENGEL and INSLEE changed their vote from “aye” to “no.”

Mr. ADERHOLT and Mr. BECERRA 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. HOLT. Mr. Chairman, I was unavoidably detained and failed to vote on rollcall No. 495 (the Sanders amendment to the Fair and Accurate Credit Transactions Act). Had I been present I would have voted “aye.”

AMENDMENT NO. 1 OFFERED BY MR. KANJORSKI

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Pennsylvania (Mr. KANJORSKI) 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 112, noes 310, answered “present” 1, not voting 11, as follows:

[Roll No. 496]

AYES—112

Abercrombie	Inslee	Olver
Ackerman	Jackson (IL)	Owens
Baca	Jackson-Lee	Pallone
Baldwin	(TX)	Pascrell
Barton (TX)	Jefferson	Pastor
Becerra	Johnson (CT)	Paul
Berkley	Johnson, E. B.	Payne
Berman	Jones (OH)	Price (NC)
Bishop (NY)	Kanjorski	Radanovich
Blumenauer	Kaptur	Rahall
Brady (PA)	Kennedy (RI)	Rodriguez
Capps	Kildee	Rothman
Capuano	Klecza	Roybal-Allard
Cardin	Kucinich	Rush
Conyers	Lampson	Ryan (OH)
Cummings	Langevin	Sanchez, Linda
DeFazio	Lantos	T.
DeGette	Larson (CT)	Sanders
Delahunt	Lee	Schakowsky
DeLauro	Lewis (GA)	Schiff
Doggett	Lofgren	Scott (VA)
Doyle	Lowey	Sherman
Emanuel	Lynch	Slaughter
Eshoo	Majette	Solis
Etheridge	Maloney	Stark
Farr	Markey	Stupak
Fattah	McCarthy (MO)	Taylor (MS)
Filner	McDermott	Thompson (CA)
Flake	McGovern	Tierney
Frank (MA)	McNulty	Udall (NM)
Grijalva	Meehan	Van Hollen
Harman	Millender-	Velazquez
Hastings (FL)	McDonald	Visclosky
Hefley	Miller, George	Waters
Hinojosa	Murtha	Watson
Hoefl	Nadler	Watt
Holden	Napolitano	Waxman
Holt	Neal (MA)	Weiner
Honda	Obey	

NOES—310

Aderholt	Bass	Boehner
Akin	Beauprez	Bonilla
Alexander	Bell	Bonner
Allen	Bereuter	Bono
Andrews	Berry	Boozman
Bachus	Biggart	Boswell
Baird	Bilirakis	Boucher
Baker	Bishop (GA)	Boyd
Ballance	Bishop (UT)	Bradley (NH)
Ballenger	Blackburn	Brady (TX)
Barrett (SC)	Blunt	Brown (OH)
Bartlett (MD)	Boehert	Brown (SC)

Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Cardoza
Carson (IN)
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Clay
Clyburn
Coble
Cole
Collins
Cooper
Costello
Cox
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeLay
DeMint
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Engel
English
Evans
Everett
Feeney
Ferguson
Fletcher
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Frost
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrist
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall
Harris

Hart
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hill
Hinchev
Hobson
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Isakson
Israel
Issa
Istook
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Larsen (WA)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Marshall
Matheson
Matsui
McCarthy (NY)
McCullum
McCotter
McCrery
McHugh
McInnis
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Pearce
Peterson (MN)

Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Quinn
Ramstad
Regula
Rehberg
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez, Loretta
Sandlin
Saxton
Schiff
Schrock
Scott (GA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Blumenauer
Tiberi
Toomey
Towns
Turner (OH)
Turner (TX)
Upton
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—11
Davis (IL)
Emerson
Gephardt
Hoekstra
Janklow
Lipinski
Pelosi
Pence
Rangel
Udall (CO)
Woolsey

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

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

□ 1944

So the amendment was rejected. The result of the vote was announced as above recorded.

AMENDMENT NO. 6 OFFERED BY MR. FRANK OF MASSACHUSETTS

The CHAIRMAN pro tempore (Mr. CULBERSON). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts (Mr. FRANK) 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 235, noes 186, answered “present” 1, not voting 12, as follows:

[Roll No. 497]
AYES—235

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Barton (TX)
Becerra
Bell
Berkley
Berman
Berry
Biggart
Bishop (GA)
Bishop (NY)
Blumenauer
Engel
Eshoo
Etheridge
Evans
Farr
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Burton (IN)
Buyer
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Coble
Conyers
Cooper
Costello
Cramer
Crowley
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (TN)
Davis, Tom
DeFazio
DeGette
DeLahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Dreier
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gerlach
Gilchrist
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hastings (FL)
Hill
Hinchev
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Insee
Isakson
Israel
Jackson (IL)
Jackson-Lee
(TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kirk
Klecza
Kucinich
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)

McCullum
McDermott
McGovern
McHugh
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
Oliver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Peterson (MN)
Petri
Platts
Pomeroy
Price (NC)
Putnam
Quinn
Rahall
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryan (OH)
Sabo
Sanchez, Linda
T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Shaw
Sherman
Shimkus
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis

NOES—186

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Bereuter
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite,
Ginny
Burgess
Burns
Burr
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cole
Collins
Crane
Crenshaw
Cubin
Cunningham
Davis, Jo Ann
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Duncan
Dunn
Ehlers
English
Everett
Feeney
Ferguson
Fletcher
Foley
Forbes
Ford
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gibbons
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Gutierrez
Gutknecht
Hall
Harris
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hostettler
Houghton
Hulshof
Hunter
Hyde
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kolbe
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCotter
McCrery
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Oxley
Pearce
Peterson (PA)
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sessions
Shadegg
Shays
Sherwood
Shuster
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Sullivan
Tancredo
Tauzin
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Vitter
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

ANSWERED “PRESENT”—1

Ruppersberger

ANSWERED "PRESENT"—1

Ruppersberger

NOT VOTING—12

Cox	Hoekstra	Pence
Davis (IL)	Janklow	Rangel
Emerson	Lipinski	Udall (CO)
Gephardt	Pelosi	Woolsey

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (during the vote). Members are advised there are 2 minutes remaining on this vote.

□ 1953

Messrs. DREIER, PETRI, TERRY, BURTON of Indiana, KIRK, SHIMKUS, LOBIONDO, and Mrs. BONO changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT NO. 12 OFFERED BY MR. NEY

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Ohio (Mr. NEY) 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 233, noes 189, answered "present" 1, not voting 11, as follows:

[Roll No. 498]

AYES—233

Abercrombie	Case	Gallegly
Aderholt	Castle	Garrett (NJ)
Akin	Chabot	Gerlach
Allen	Chocola	Gibbons
Bachus	Coble	Gilchrest
Baker	Cole	Gillmor
Ballenger	Collins	Gingrey
Barrett (SC)	Cooper	Gordon
Bartlett (MD)	Cox	Goss
Bass	Cramer	Granger
Beauprez	Crane	Graves
Bereuter	Crenshaw	Green (WI)
Biggett	Cubin	Greenwood
Bilirakis	Culberson	Gutknecht
Bishop (UT)	Cunningham	Harman
Blackburn	Davis (AL)	Harris
Blunt	Davis (TN)	Hart
Boehlert	Davis, Jo Ann	Hastings (WA)
Boehner	Davis, Tom	Hayes
Bonilla	Deal (GA)	Hayworth
Bonner	DeLay	Hensarling
Bono	DeMint	Herger
Boozman	Diaz-Balart, L.	Hobson
Boswell	Diaz-Balart, M.	Holden
Boucher	Dicks	Hostettler
Bradley (NH)	Doolittle	Houghton
Brady (TX)	Dreier	Hulshof
Brown (SC)	Dunn	Hunter
Brown-Waite,	Edwards	Hyde
Ginny	Ehlers	Isakson
Burgess	English	Issa
Burns	Etheridge	Istook
Burr	Everett	Jenkins
Burton (IN)	Feeney	Johnson (CT)
Buyer	Ferguson	Johnson (IL)
Calvert	Fletcher	Johnson, Sam
Cannon	Foley	Jones (NC)
Cantor	Forbes	Keller
Capito	Ford	Kelly
Carter	Fossella	Kennedy (MN)

King (IA)	Oxley
King (NY)	Pearce
Kirk	Peterson (PA)
Kline	Petri
Knollenberg	Pickering
Kolbe	Pitts
LaHood	Platts
Latham	Pombo
Leach	Pomeroy
Lewis (CA)	Porter
Lewis (KY)	Portman
Linder	Pryce (OH)
LoBiondo	Putnam
Lucas (KY)	Quinn
Lucas (OK)	Radanovich
Manzullo	Rahall
Marshall	Ramstad
McCotter	Regula
McCrary	Rehberg
McHugh	Renzi
McInnis	Reynolds
McKeon	Rogers (AL)
Mica	Rogers (KY)
Michaud	Rogers (MI)
Miller (MI)	Rohrabacher
Miller, Gary	Ros-Lehtinen
Mollohan	Royce
Moran (KS)	Ryan (WI)
Moran (VA)	Ryun (KS)
Murphy	Sandlin
Nethercutt	Saxton
Neugebauer	Schrock
Ney	Scott (GA)
Northup	Sensenbrenner
Nunes	Sessions
Nussle	Shadegg
Osborne	Shaw
Ose	Shays

NOES—189

Ackerman	Goodlatte
Alexander	Green (TX)
Andrews	Grijalva
Baca	Gutierrez
Baird	Hall
Baldwin	Hastings (FL)
Ballance	Hefley
Barton (TX)	Hill
Becerra	Hinchey
Bell	Hinojosa
Berkley	Hoefel
Berman	Holt
Berry	Honda
Bishop (GA)	Hooley (OR)
Bishop (NY)	Hoyer
Blumenauer	Insee
Boyd	Israel
Brady (PA)	Jackson (IL)
Brown (OH)	Jackson-Lee
Brown, Corrine	(TX)
Camp	Jefferson
Capps	John
Capuano	Johnson, E. B.
Cardin	Jones (OH)
Cardoza	Kanjorski
Carson (IN)	Kaptur
Carson (OK)	Kennedy (RI)
Clay	Kildee
Clyburn	Kilpatrick
Conyers	Kind
Costello	Kingston
Crowley	Kleczka
Cummings	Kucinich
Davis (CA)	Lampson
Davis (FL)	Langevin
DeFazio	Lantos
DeGette	Larsen (WA)
Delahunt	Larson (CT)
DeLauro	LaTourette
Deutsch	Lee
Dingell	Levin
Doggett	Lewis (GA)
Dooley (CA)	Lofgren
Doyle	Lowe
Duncan	Lynch
Emanuel	Majette
Engel	Maloney
Eshoo	Markey
Evans	Matheson
Farr	Matsui
Fattah	McCarthy (MO)
Filner	McCarthy (NY)
Flake	McCollum
Frank (MA)	McDermott
Frank (AZ)	McGovern
Frelinghuysen	McIntyre
Frost	McNulty
Gonzalez	Meehan
Goode	Meek (FL)

Sherwood	Turner (TX)
Shimkus	Udall (NM)
Shuster	Van Hollen
Simmons	Velazquez
Simpson	Visclosky
Smith (MI)	
Smith (NJ)	
Smith (TX)	
Souder	
Stearns	
Stenholm	
Strickland	
Sullivan	
Sweeney	
Tanner	
Tauzin	
Taylor (MS)	
Taylor (NC)	
Terry	
Thomas	
Thornberry	
Tiahrt	
Tiberi	
Toomey	
Turner (OH)	
Upton	
Vitter	
Walden (OR)	
Walsh	
Weldon (PA)	
Weller	
Whitfield	
Wicker	
Wilson (NM)	
Wilson (SC)	
Wolf	
Young (AK)	
Young (FL)	

Wamp	Weiner
Waters	Weldon (FL)
Watson	Wexler
Watt	Wu
Waxman	Wynn

ANSWERED "PRESENT"—1

Ruppersberger

NOT VOTING—11

Davis (IL)	Janklow	Rangel
Emerson	Lipinski	Udall (CO)
Gephardt	Pelosi	Woolsey
Hoekstra	Pence	

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. CULBERSON) (during the vote). Members are advised there are 2 minutes in which to record their votes.

□ 2001

Mr. ROHRABACHER changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. Are there any other amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. CULBERSON, 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. 2622) to amend the Fair Credit Reporting Act, to prevent identity theft, improve resolution of consumer disputes, improve the accuracy of consumer records, make improvements in the use of, and consumer access to, credit information, and for other purposes, pursuant to House Resolution 360, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

Mr. SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any 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 amendment.

The amendment 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.

Mr. SPEAKER pro tempore. 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. OXLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 392, nays 30,

answered "present" 1, not voting 11, as follows:

[Roll No. 499]

YEAS—392

Abercrombie	DeLay	Jones (OH)
Ackerman	DeMint	Kanjorski
Akin	Deutsch	Kaptur
Alexander	Diaz-Balart, L.	Keller
Allen	Diaz-Balart, M.	Kelly
Andrews	Dicks	Kennedy (MN)
Baca	Dingell	Kennedy (RI)
Bachus	Doggett	Kildee
Baird	Dooley (CA)	Kilpatrick
Baker	Doollittle	Kind
Baldwin	Doyle	King (IA)
Ballance	Dreier	King (NY)
Ballenger	Duncan	Kingston
Barrett (SC)	Dunn	Kirk
Bartlett (MD)	Edwards	Klecza
Barton (TX)	Ehlers	Kline
Bass	Emanuel	Knollenberg
Beauprez	Engel	Kolbe
Becerra	English	LaHood
Bell	Etheridge	Lampson
Bereuter	Evans	Langevin
Berkley	Everett	Lantos
Berry	Fattah	Larsen (WA)
Biggart	Figgy	Larson (CT)
Bilirakis	Ferguson	Latham
Bishop (GA)	Fletcher	LaTourette
Bishop (NY)	Foley	Leach
Bishop (UT)	Forbes	Levin
Blackburn	Ford	Lewis (CA)
Blumenauer	Fossella	Lewis (GA)
Blunt	Frank (MA)	Lewis (KY)
Boehlert	Franks (AZ)	Linder
Boehner	Frelinghuysen	LoBiondo
Bonilla	Frost	Lowe
Bonner	Gallegly	Lucas (KY)
Bono	Garrett (NJ)	Lucas (OK)
Boozman	Gerlach	Lynch
Boswell	Gibbons	Majette
Boucher	Gilchrest	Maloney
Boyd	Gillmor	Manzullo
Bradley (NH)	Gingrey	Marshall
Brady (PA)	Gonzalez	Matheson
Brady (TX)	Goode	McCarthy (MO)
Brown (OH)	Goodlatte	McCarthy (NY)
Brown (SC)	Gordon	McCollum
Brown, Corrine	Goss	McCotter
Brown-Waite,	Granger	McCreery
Ginny	Graves	McDermott
Burgess	Green (TX)	McGovern
Burns	Green (WI)	McHugh
Burr	Greenwood	McInnis
Burton (IN)	Grijalva	McIntyre
Buyer	Gutiérrez	McKeon
Calvert	Gutknecht	McNulty
Camp	Hall	Meehan
Cannon	Harris	Meek (FL)
Cantor	Hart	Meeks (NY)
Capito	Hastings (FL)	Menendez
Capps	Hastings (WA)	Mica
Capuano	Hayes	Michaud
Cardin	Hayworth	Miller (FL)
Cardoza	Hefley	Miller (MI)
Carson (IN)	Hensarling	Miller (NC)
Carson (OK)	Hergert	Miller, Gary
Carter	Hill	Mollohan
Case	Hinchee	Moore
Castle	Hinojosa	Moran (KS)
Chabot	Hobson	Moran (VA)
Chocola	Hoeffel	Murphy
Clay	Holden	Murtha
Clyburn	Holt	Musgrave
Coble	Hookey (OR)	Myrick
Cole	Hostettler	Napolitano
Collins	Houghton	Neal (MA)
Cooper	Hoyer	Nethercutt
Costello	Hulshof	Neugebauer
Cox	Hunter	Ney
Cramer	Hyde	Northup
Crane	Inslee	Norwood
Crenshaw	Isakson	Nunes
Crowley	Israel	Nussle
Cubin	Issa	Oberstar
Culberson	Istook	Obey
Cummings	Jackson-Lee	Olver
Cunningham	(TX)	Ortiz
Davis (AL)	Jefferson	Osborne
Davis (FL)	Jenkins	Ose
Davis (TN)	John	Otter
Davis, Jo Ann	Johnson (CT)	Owens
Davis, Tom	Johnson (IL)	Oxley
Deal (GA)	Johnson, E. B.	Pallone
DeGette	Johnson, Sam	Pascarell
DeLauro	Jones (NC)	Pastor

Payne	Sabo
Pearce	Sanchez, Linda
Pelosi	T.
Peterson (MN)	Sanchez, Loretta
Peterson (PA)	Sandlin
Petri	Saxton
Pickering	Schrock
Pitts	Scott (GA)
Platts	Scott (VA)
Pombo	Sensenbrenner
Pomeroy	Serrano
Porter	Sessions
Portman	Shadegg
Price (NC)	Shaw
Pryce (OH)	Shays
Putnam	Sherman
Quinn	Sherwood
Radanovich	Shimkus
Rahall	Shuster
Ramstad	Simmons
Regula	Simpson
Rehberg	Skelton
Renzi	Slaughter
Reyes	Smith (MI)
Reynolds	Smith (NJ)
Rodriguez	Smith (TX)
Rogers (AL)	Smith (WA)
Rogers (KY)	Snyder
Rogers (MI)	Solis
Rohrabacher	Souder
Ros-Lehtinen	Spratt
Ross	Stearns
Rothman	Stenholm
Roybal-Allard	Strickland
Royce	Stupak
Rush	Sullivan
Ryan (OH)	Sweeney
Ryan (WI)	Tancredo
Ryan (KS)	Tanner

NAYS—30

Berman	Jackson (IL)	Sanders
Conyers	Kucinich	Schakowsky
Davis (CA)	Lee	Schiff
DeFazio	Lofgren	Stark
Delahunt	Markey	Tauscher
Eshoo	Matsui	Thompson (CA)
Farr	Millender-	Waters
Filner	McDonald	Watson
Flake	Miller, George	Waxman
Harman	Nadler	
Honda	Paul	

ANSWERED "PRESENT"—1

Ruppersberger

NOT VOTING—11

Aderholt	Hoekstra	Rangel
Davis (IL)	Janklow	Udall (CO)
Emerson	Lipinski	Woolsey
Gephardt	Pence	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HASTINGS of Washington) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 2019

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE EN-GROSSMENT OF H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

Mr. LATOURETTE. Mr. Speaker, on a gratifying endorsement of my oratorical skills, the Chairman of the full committee has asked that I ask unanimous consent that in the engrossment of the bill, H.R. 2622, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

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

There was no objection.

PERSONAL EXPLANATION

Mr. OSE. Mr. Speaker, on September 4, I recorded a "yes" vote on rollcall vote No. 463. My vote should have been "no."

PERSONAL EXPLANATION

Mr. WAMP. Mr. Speaker, on September 4, I recorded a "yes" vote on rollcall vote No. 463 ordered on the previous question for H. Res. 351. My vote should have been "no."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1472

Mr. WAMP. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1472.

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

There was no objection.

MOTION TO INSTRUCT CONFEREES ON H.R. 1588, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2004

Mr. EDWARDS. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. EDWARDS moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 1588 be instructed to agree to the provisions contained in sections 606 and 619 of the Senate amendment (relating to the rates of pay for the family separation allowance and imminent danger pay).

The SPEAKER pro tempore. Pursuant to clause 7(b) of rule XX, the gentleman from Texas (Mr. EDWARDS) and a Member of the opposing party each will control 30 minutes.

Mr. MCHUGH. Mr. Speaker, I rise to control the time in opposition.

The SPEAKER pro tempore. The gentleman from New York (Mr. MCHUGH) will control the time in opposition.

The Chair recognizes the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, my motion would instruct the conferees working on the Defense authorization bill to recede to the Senate bill on section 606 and 619. Specifically, Section 606 would make permanent the increase of military separation pay from \$100 per month to \$250 a month. Section 619 would make permanent the increase to hostile fire and imminent danger special pay from \$150 a month to \$225 a month.

Mr. Speaker, what we are really talking about here is that in the past year, Congress voted to show respect to our

service men and women making tremendous sacrifices fighting the global war on terrorism, service men and women, who are in all parts of the globe from South America to Europe to Asia to the Middle East, to virtually every section of the globe. What we are saying is that when they leave their family for 6 months or 12 months and when they are put into a hostile situation, a country ought to thank them as a serviceman or woman and we ought to thank their family not just with our words of rhetoric, but with our deeds here in the House, and this is why we gave in effect a \$225 increase to those service men and women under the threat of hostile action, serving also away from their families.

Now \$225 a month may not mean a lot to some Americans, but to our hardworking, dedicated, patriotic service men and women, it is oftentimes the difference between paying their bills that month or not while their loved ones are split because of service to country.

What the House version of this bill would do is not provide certainty to these service men and women serving in Nations such as Liberia today, serving in Kosovo and Bosnia, that their income each month will not be cut. The Senate version actually would provide certainty and say to them we respect what they are doing, we are not going to cut their pay. I think it would be tragic that at a time when our service men and women and their families are making incredible sacrifices on behalf of our country for us to leave any uncertainty that hundreds of thousands or them, or tens of thousands of them could actually have a pay cut during a time of war, during our fight against global terrorism.

So what this motion to instruct is all about is respect to our service men and women about certainty so that they do not have to worry, while they are worrying about the very lives of their loved ones in combat situations and hostile situations, they do not have to worry also about their monthly income being cut by the same government that is thanking them daily in speeches here on the floor of the House.

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

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

Let me say, I think it is fair to state from the outset that all of us in this distinguished body, the House of Representatives, are very strongly committed to ensuring an adequate, fair and really just level of compensation for those service members that my friend, and he is my friend and my colleague, from Texas, has so adequately and so appropriately mentioned, as they are bearing the leadership, as they are literally putting their lives in harm's way.

Just yesterday, I had the very sad but high honor of attending a funeral for a 24-year-old specialist from my district, from the 10th Mountain Divi-

sion who was killed in Afghanistan, and I think that any suggestion that this House would ever support any cut in diminution to the pay and to the support that we have been giving these troops would be a very, very wrong-headed suggestion. I do not believe any of us support that, and I know I certainly do not, and I commend the gentleman from Texas for bringing this forward.

I have been to Iraq. I have seen the conditions firsthand. I have been to Uzbekistan. I have been to Afghanistan. I know what these young men and these young women and these brave men and women are going through, and certainly they are serving proudly and we must not, we should not and I feel very confidently that we will not allow these troops to suffer a loss of income and the history of how we have implemented these increases to the supplemental pay is the imminent danger pay and to the family separation pay is well-known, well-stated, and we do need to take action in the bill referred to in the gentleman's motion to instruct to ensure that there is no diminution of those pays and to that support.

Having said that, there is a difference of approach. There is a difference as to how we focus this. The reality is, and I am stating this just for the record, Mr. Speaker, rather than to express any opposition to my friend's motion, is that under the Senate's proposal, we are not just dealing, for example, on family separation pay, with those who are in places like Bosnia and Kosovo, Afghanistan, the Philippines, Korea, Iraq. In fact, under the Senate's approach, if someone from my State of New York were deployed to one of the training centers for 30 days or more, they, too, would receive the separation pay, and it is the Department's position, given the difference in the cost of how the approach that they would prefer and how the approach the Senate prefers would be significant, about I believe \$280 million, that that they wish to target it more precisely.

I am persuaded by what the gentleman says and I am not going to ask a single Member of this House on either side of the aisle to oppose this motion. I, in fact, would encourage them to support it, if for no other reason than to significantly demonstrate the agreement that we all hold amongst ourselves that our brave men and women in combat and those facing these hardships should not suffer any diminution, but just for the House's knowledge, the Department has perhaps a position that none of us agree with but a few or none or all, but a position that does have some merit in these very difficult financial times when they want to target these.

But I do want to say that as someone who has had, for the past two terms, the honor of serving as the chairman of first the Subcommittee on Military Personnel, and now the Subcommittee on Total Force, I will not support, and

I believe I can speak for the gentleman from California (Mr. HUNTER) and all of the leadership of both the committee and the House, anything, anything that cuts by one cent the pay to our brave men and women who are serving in very dangerous places like Iraq and Afghanistan.

So in the spirit of what the gentleman is trying to accomplish, I would urge my colleagues to support this motion, to vote for it and certainly to join us as we go forward in trying to ensure that the brave men and women who are serving us are fairly and adequately compensated.

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

Mr. EDWARDS. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Missouri (Mr. SKELTON), who is the ranking member of the House Committee on Armed Services.

Mr. SKELTON. Mr. Speaker, I thank the gentleman from Texas for yielding me the time, and I rise in support of the motion to instruct the conferees, and I thank the gentleman from Texas (Mr. EDWARDS) for this motion to instruct.

This motion will direct the House conferees on the National Defense Authorization Act for next year to accept the Senate Defense authorization provisions that provide for a permanent increase in imminent danger and hostile fire special pay, as well as family separation allowance.

□ 2030

Under the Senate bill, section 606 would make permanent a \$75 increase in the family separation allowance, and section 619 would make permanent a \$125 increase in imminent danger and hostile fire special pay. By accepting the Senate provisions, servicemembers and their families would continue to receive increases that were originally included in the first Iraq war supplemental, but which will terminate on September 30 of this year.

The Department of Defense originally expressed concern about the cost to continue these special pays and allowances. However, recent public statements by officials within the Department indicate that the administration has reversed its position and now supports continuation of these important benefits, especially as American forces continue to face hostilities around the world, particularly in Iraq and Afghanistan.

Our troops put their lives on the line every day. They do this for our country, particularly in Iraq, where guerilla warfare has become a daily occurrence. As of this morning, 179 servicemembers have given their lives in combat. Another 1,186 have been wounded in action. Additionally, another 110 have been killed, and 313 wounded in nonhostile action while deployed to that region. It would be fundamentally wrong, wrong to reduce imminent danger and hostile fire pay for these brave men and women.

Military families back home have recently been informed that longer deployments for our men and women in uniform will become the standard for the foreseeable future. The increase in family separation allowance authorized in the Senate bill is the least we can do to recognize the sacrifices of these servicemembers as well as their families. Almost all families face increased household costs while their servicemember is deployed. Mailing letters, packages for morale, making long-distance phone calls are just a few examples of the additional expenses that families incur while they were separated from a military member. Increasing imminent danger and increasing the hostile fire pay as well as the family separation allowance permanently is the right and honorable thing to do.

Mr. Speaker, I strongly urge my colleagues to join me in support of this motion of the gentleman from Texas (Mr. EDWARDS) to instruct the House conferees.

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

There are no Members in this House in whom I hold higher regard on issues of concern of military men and women and their families than the gentleman who just spoke, the distinguished ranking member. Certainly nothing he said here this evening would in any way change my attitude and my perspective.

But I do think, again for the record, and in urging my colleagues still to vote for this motion, that another concern that the administration and the Department have expressed, and that I think at least merits our thoughts as we go forward, is that the Senate bill, as it is currently constructed and construed, actually treats two soldiers, to use one example, who are doing the exact same job, perhaps on the exact same patrol, whether it be in Sherkat in the mountains of Afghanistan, or be it on the streets of al Falusha, very, very differently. In the Senate bill, one member of that patrol would receive \$75 added pay, the other would receive \$250; and they are both exposed to the same danger. They are both exposed to the potential of the same fate.

So I think we have got to remember that there are legitimate differences of opinion here. However, the objective that we all have and we all, I think, need to pursue is that of paying and compensating these brave men and women to the highest extent possible.

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

Mr. EDWARDS. Mr. Speaker, I yield 4 minutes to the gentleman from South Carolina (Mr. SPRATT), the distinguished senior member of the House Committee on Armed Services.

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

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me this time. I greatly respect the chairman of

the Subcommittee on Military Personnel, and I am grateful to see he has decided that he should support this resolution. I think it is timely, I think it is in order, and while the gentleman says that the pay level is fair and adequate, I would really argue that even with the increases, for the burdens these soldiers, sailors, airmen and Marines bear, in hostile circumstances, this pay increment is really minimal.

Last year, when we did the Iraqi supplemental, providing \$79 billion for the war in Iraq and more for Afghanistan in the war against terror, \$63 billion was allocated to Iraq. And, naturally, we said with soldiers about to go in harm's way, surely we should increase the minimal amount that is being paid to them right now, which was \$100. That is all, \$100 a month for family separation pay, and \$150 for imminent danger pay. We increased those to \$250 for family separation pay and \$225 for imminent danger pay, but only for 1 year. Unless we act in the defense authorization bill to make this permanent law, as provided in the Senate authorization mark, then this will expire on September 30. And that would be a terrible calamity.

Nevertheless, the Pentagon this summer issued a reclaimer to the committees in conference indicating that they thought that these two increments were too costly to sustain and recommended that they either be dropped or reduced. They met with a firestorm of protest, including a published statement from me and the ranking member on our committee, that I thought it would be outrageous at this point in time to do it. So tonight we can seal the decision and make it permanent law that these levels of incremental pay will be provided to soldiers, sailors, airmen, and Marines who go in harm's way and are separated from their families. They get all the \$475.

The gentleman was saying he was in Iraq, and we all know when we go out in the field and we see these soldiers and sailors and airmen, we realize they do not work 8-hour days. They work 18-hour days, continually. And they never know whether danger might befall. The least we can do to help them is pay the way, particularly in the circumstances they now find themselves, doing duty they were not trained for. And a hard and bitter duty it is, in an inhospitable environment. The least we can do is to provide them this pay settlement.

Let me make one more argument, though, if this were not enough, and that is we can either pay now or pay later. Because if we do not provide these increments and somehow or another help our deployed troops bear the burdens that we have imposed upon them, then we are going to pay for it in terms of recruitment and retention just over the horizon. We are going to be paying big reenlistment bonuses. We will be losing E6 sergeants, with the kind of training we need for years to come. We are going to be risking real damage, long-term damage, particularly to our ground forces.

So it is only smart, not just fair, not just good policy, it is just smart personnel policy to continue these payments at the level that is established now in law and to make it permanent law.

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume, and I thank the gentleman for his comments.

Very briefly, Mr. Speaker, so everyone understands, the House bill makes permanent the increases that the gentleman just mentioned for imminent danger pay from \$150 to \$225 and family separation pay from \$100 to \$250 a month. Not a single soldier, airmen, sailor, Marine, or even Coast Guard, if they happened to be deployed to that region, would ever lose a cent if they were assigned to Saudi, Kuwait, Iraq, Afghanistan under the House bill either.

There are some differences on the motion with respect to family separation pay and the application of imminent danger pay that I previously mentioned; but, again, none of us want to see those in direct harm's way lose that money. And I am very confident that under either bill that will not happen. I am very confident that under whatever agreement that comes out of this that that will not happen either.

If we do not have an agreement by October 1, I feel absolutely certain we will either move a separate piece of legislation or do the conference committee agreement retroactively. So we are all on the same page there.

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

Mr. EDWARDS. Mr. Speaker, I yield 3 minutes to the gentleman from Washington State (Mr. LARSEN), who is a distinguished member of the House Committee on Armed Services.

Mr. LARSEN of Washington. Mr. Speaker, I want to thank the gentleman from Texas (Mr. Edward) for bringing this motion to instruct to the floor today.

Today, I met with Corporal Jeremiah Olsen, a soldier from Coupeville, Washington, which is in my district. Corporal Olsen will be awarded the Silver Star medal by the President for his heroic actions during Operation Iraqi Freedom.

Corporate Olsen and his fellow servicemembers have fought bravely, and they have represented our country honorably in Operation Iraqi Freedom, Operation Enduring Freedom, and around the world on our behalf. They deserve our respect and our thanks. For this reason, I think it is important that we pass an extension of the pay increase that we authorized earlier this year.

In April, Congress provided a temporary increase in imminent danger pay and the family separation allowance that will both expire at the end of this month. In addition, we authorized a monthly increase for family separation allowance that helps military families pay rent, pay for child care, or

pay for other expenses while their loved ones are away. As a member of the Committee on Armed Services and as a representative of thousands of service men and women, it is my view that we need to do everything we can for our troops and their families.

The Senate-passed defense authorization bill provides an increase for all of our troops in imminent danger, increases the family separation allowance provisions, and makes these increases permanent. The House bill, in my opinion, does not go far enough. The motion to instruct conferees to accept the Senate provision is an important step forward toward providing our troops the compensations they deserve, and it provides it to all of our Armed Forces.

In my view, our women and men in the military are not paid enough as it is. Now that we are asking them to risk their lives away from their families and asking their families to bear the burden while they are away, we should not cut their pay off. Corporate Olsen and all the other service men and women deserve more than that.

So I urge my colleagues to pass this motion to instruct conferees and make it clear that this Congress supports our women and men in the Armed Forces and thanks them for their service.

Mr. MCHUGH. Mr. Speaker, I continue to reserve the balance of my time.

Mr. EDWARDS. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina (Mr. ETHERIDGE), who represents the very important installation at Fort Bragg and has done so so ably.

Mr. ETHERIDGE. Mr. Speaker, I rise this evening in strong support of the Edwards motion to instruct conferees on the fiscal year 2004 Defense Authorization Act.

Specifically, I support the Senate provision on making the increase in imminent danger pay and family separation allowance permanent for all our armed service members and their families and applying the increase to all those in imminent danger no matter where they are serving. And let me tell my colleagues why.

In April, Congress passed the Emergency Wartime Supplemental Appropriations bill to fund military operations in Iraq, Afghanistan and elsewhere. I voted for that bill because I strongly support our men and women in the armed services.

□ 2045

This bill provided temporary increases in imminent danger pay and family separation allowances, but they are due to expire on September 30, 2003, less than 3 weeks from now.

Specifically, the bill we passed in April temporarily increased the imminent danger/hostile fire pay from \$150 to \$225 a month. It also temporarily increased the family separation allowance, which helps military families pay rent, child care and other expenses while the soldier is away from \$100 to \$250 a month.

I represent one of the largest military bases in this country, and when the call comes from the White House, it is the 9/11 post in this country. Both the House and Senate have passed defense authorization bills that deal with those expiring provisions, but the Senate-passed bill is superior to the House version in two key ways. First, the Senate provision makes permanent the increase in imminent danger and hostile fire pay and the family separation allowance. The Senate bill also provides increases for all of our armed services in imminent danger, whereas the House bill only covers those serving in Operation Iraqi Freedom and Operation Enduring Freedom in Afghanistan. That provision leaves our soldiers in dangerous places, and leaves them out, young men and women serving in Liberia, Kosovo and elsewhere.

When our soldiers are getting shot at for the sole reason they are wearing our Nation's uniform, it is indefensible to shortchange our soldiers serving in areas that may not be the political focus of this Congress or the administration.

As a congressman who represents Fort Bragg, Pope Air Force Base and the special operations soldiers that are called on daily to serve around the world, and many of the guard and reserve units who are now on duty, I strongly support the permanent increase in imminent danger and hostile fire pay and family allowances for our soldiers and their families. Our military personnel and their families right now are under enormous strain. They are stretched very thin. Our servicemen are being subjected to longer deployments and more frequent deployments than ever before.

Just 2 days ago it was announced that the deployment of reservists and National Guard in the combat theater have been extended from 6 months to 1 year. About half of our active duty Army is currently deployed abroad, up from 20 percent just 2 years ago.

Let me say I supported Operation Iraqi Freedom. I voted to authorize the President to conduct the operation and rid the world of Saddam Hussein, but now our servicemen are paying the price. We have now lost more soldiers lives since the President announced the end of the combat operation than suffered in combat. Our soldiers are serving in the war zone. They cannot speak for themselves on this vital issue. They are counting on their elected representatives in Congress to stand up for them. I intend to do so, and I urge my colleagues to join me in voting for the Edwards motion.

Mr. Speaker, I rise in strong support of the Edwards motion to instruct conferees on the FY 2004 Department of Defense Authorization Act. Specifically, I support the Senate provisions on making the increase in imminent danger pay and family separation allowance permanent for our armed services and their families and applying the increase to all those in imminent danger, no matter where they are serving.

In April, Congress passed the Emergency Wartime Supplemental Appropriations bill to fund military operations in Iraq, Afghanistan and elsewhere. I voted for that bill because I strongly support our men and women in the armed services. This bill provided temporary increases in imminent danger pay and family separation allowances, but they are due to expire on September 30, less than 3 weeks from now.

Specifically, the bill we passed in April temporarily increased the imminent danger/hostile fire pay from \$150 to \$225 per month. It also temporarily increased the family separation allowance, which helps military families pay rent, child care and other expenses while soldiers are away, from \$100 to \$250 per month.

Both the House and Senate have passed defense authorization bills that deal with these expiring provisions. But the Senate-passed bill is superior to the House version in two key ways. First, the Senate provisions make permanent the increases in imminent danger and hostile fire pay and the family separation allowance. The Senate bill also provides increases for all of our armed forces in imminent danger, whereas the House bill only covers those serving in Operation Iraqi Freedom and Operation Enduring Freedom in Afghanistan. That limitation leaves out our soldiers in dangerous places like Liberia, Kosovo and elsewhere.

When our soldiers are getting shot at for the sole reason that they are wearing our Nation's uniform, it is indefensible to shortchange soldiers serving in areas that may not be the political focus of the administration or the Congress.

As the Congressman for Fort Bragg, Pope Air Force Base and many guard and reserve units, I strongly support a permanent increase in imminent danger and hostile fire pay and family allowances for our soldiers and their families. Our military personnel and their families right now are under enormous strain. They are stretched ordinarily thin. Our service members are being subjected to longer deployments and more frequent deployments than ever before. Just 2 days ago, it was announced that the deployment of Reservists and National Guard in the combat theater has been extended from 6 months to 1 year. About half of the active-duty Army is currently deployed abroad—up from 20 percent just 2 years ago.

Let me say that I support Operation Iraqi Freedom, and I voted to authorize the President to conduct the operation to rid the world of Saddam Hussein's evil rule. I am tremendously proud of our men and women in uniform who have demonstrated the American way of dealing with tyrants who terrorize their own region and threaten the peace and stability of the larger world. Saddam Hussein got what he deserved. But now our service members are paying the price. We have now lost more soldiers' lives since the President announced the end of combat than we suffered in that combat. Our soldiers serving in the war zone cannot speak for themselves on this vital issue. They are counting on their elected Representatives in Congress to stand up for them. I intend to do so, and I urge all my colleagues to join me in voting for the Edwards motion.

Mr. EDWARDS. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, first of all, I want to thank my special friend and the gentleman from New York (Mr. MCHUGH),

the fellow co-chair of the House Army Caucus. The gentleman has been a real leader on military issues here in Congress. I want to thank the gentleman for asking his fellow Republican colleagues not to oppose this motion to instruct because as late as 2 hours ago, I heard that the House Republican leadership was actually going to oppose our effort to make it absolutely certain and clear we are not going to reduce family separation pay or imminent danger pay for servicemen and -women serving in all parts of the globe. I appreciate the gentleman not asking his colleagues to oppose this motion.

I understand and I respect as he said that there are differences of approaches. What I would like to make clear is the approach that we are trying to take in this motion to instruct. There are really four problems I would like to point out with the House language relative to the Senate language. First of all, in the House language, there is no permanence for the increased \$225 that a service member and his or her family can receive today in serving in very dangerous parts of the world. That pay could go away if we do not have the Senate language. They deserve clarity. They deserve certainty.

Secondly, under the House language, for a military soldier in Kosovo or Bosnia today, his family gets \$250 a month in family separation pay. That will drop to \$100 a month on October 1 of this year, just in a few days. People serving in areas that because of the terrorist activities around the world, because of heightened tension in countries such as Korea, Kosovo, and Bosnia, could actually have their military pay cut by the same government that is saluting them daily in floor speeches. I think that is wrong. I think that is a problem, a serious problem with the House language, and that is the second reason why I am asking my colleagues to join me in support of this motion to instruct.

The third problem I have with the House language and approach to this problem is that soldiers and troops receiving \$225 a month in imminent danger pay right now in countries such as Liberia, Bosnia and Kosovo could actually have their pay cut under the House language. I do not know how many of our colleagues have visited Liberia and Bosnia and Kosovo, but I think most Members would agree, as would the Department of Defense, that is a dangerous place to be right now and we should not have them have their imminent danger pay cut by \$75 a month while they are serving in those far reaches of the globe today, far away from their families.

The fourth point I would make is that I think it is better for the Department of Defense to continue deciding which countries should be designated as imminent danger or hostile fire

countries. I do not like the idea of Congress making that decision in an armed services bill. I do not think we are qualified to do that.

What my motion to instruct is really about is about two things: It is about certainty, certainty to our military families that they are not going to have their pay cut by as much as \$225 in the next several weeks. And it is about respect. It is about respecting the incredible sacrifices, the risk of limb and life that tens of thousands of our service members from all across America are facing today.

We should show that respect not just in our speeches, but in a vote on this motion to instruct.

I do want to clarify one point, and I want to be sure I am clear on this with my colleague from New York. He talked about, under the Senate language, two soldiers on patrol in the same place, one soldier could get more money than the other.

Unless I misunderstand the argument, the reason for that, and I want to be clear, one soldier is married and one soldier is not married, and this country pays family separation pay to married troops because they have families back home that have to pay extra perhaps baby-sitting costs, they have to pay extra telephone costs to their spouses, they have perhaps baby-sitting costs that could be very substantial, and certainly there is a reason why we provide family separation pay to troops that are married and have families whereas we do not provide family separation pay for troops that do not have spouses back home, children back home.

I think that is a logical consequence, and I think it is important for our servicemen and -women, perhaps they are watching this debate, to not be confused by that argument.

But again the key point is if we adopt the House language as presently written, we could have tens of thousands of American servicemen and -women and their families losing as much as \$225 a month in pay in the next several weeks. Under the Senate language, we send a clear message, a message they deserve to hear, that that is not going to happen.

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

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

Mr. Speaker, again let me commend the gentleman for his concern. It is a concern that I have had an opportunity to work with and admire and benefit from during all of my years in Congress and certainly in our shared chairs of the Army caucus. The gentleman is doing good and important work here.

For the record, I have been to Bosnia and Kosovo three times each, and things have gotten demonstrably better, but I do not think anybody would argue that is pleasant duty.

I do think it is important to have the administration and the Department's position on the record here, and the gentleman gave an explanation of the reason and the construct behind the differentials were for a man on patrol, a single man would receive \$75 in patrol to Crete or whatever, and the person next to him would receive \$250, and it is by definition of the family, but the Department is making the argument that is, given the circumstances, too great a discrepancy and that under some of the constructs and legal definitions of what constitutes a family that if you are, for example, a single parent, noncustodial parent, nevertheless you have certain responsibilities and out of fairness, you do not get family separation pay.

If you have a single soldier who is a substantial supporter of his elderly parents or her elderly parents, that does not meet the IRS definition technically of 50 percent support, you do not get family separation pay. So this is not just in my opinion, Mr. Speaker, an accounting measure by the Department to try to evade and avoid responsibility and equity in treating their soldiers, sailors, airmen, marines and Coast Guardsmen differently or unfairly, but rather recognizing that definitions may not be as perfect as they should be.

They want to make some changes in other pays that go equally to both categories of families as well as single to make sure that they all receive more. We can disagree with that. The House bill did not develop, it did not embody that position, but I do not think it is accurate or entirely fair, and I am not suggesting that the gentleman from Texas (Mr. EDWARDS) did this, I do not think that their thoughts are really on point to suggest that the Department is being uncaring because I do not think that is their intent.

Their intent is to more precisely target where the merit exists and to try to not what they feel, whether we agree or not is irrelevant, but what they feel is a discriminatory approach.

Again, for the purposes of this House, for the purposes of the defense authorization bill, I think the gentleman from Texas (Mr. EDWARDS) makes some excellent points, and obviously those who spoke in support of him underscore those points. As the chairman of the subcommittee with the most direct responsibility, I do not disagree with one sentence, one paragraph, one period in any of those sentences, or certainly the motivation of the gentleman's instruction.

In closing, I would urge my colleagues, as I have before, to join in support of the gentleman's motion.

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

NOTICE

Incomplete record of House proceedings. Except for concluding business which follows, today's House proceedings will be continued in the next issue of the Record.

ADJOURNMENT

Mr. GUTKNECHT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Thursday, September 11, 2003, at 10 a.m.

EXECUTIVE COMMUNICATIONS,
ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

4148. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Veterinary Services User Fees; Fees for Endorsing Export Certificates for Ruminants [Docket No. 02-040-2] received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4149. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Witchweed; Regulated Areas [Docket No. 02-042-2] received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4150. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Mexican Fruit Fly; Removal of Regulated Area [Docket No. 02-121-3] received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4151. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Exotic Newcastle Disease; Removal of Areas From Quarantine [Docket no. 02-117-9] received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4152. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule—Introductions of Plants Genetically Engineered to Produce Industrial Compounds [Docket No. 03-038-1] received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4153. A letter from the Regulatory Contact, Department of Agriculture, transmitting the Department's final rule—Swine Packer Marketing Contracts; Contract Library [PSA-2000-01-b] (RIN: 0580-AA71) received September 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4154. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Flumioxazin; Pesticide Tolerance for Emergency Exemptions [OPP-2003-0253; FRL-7319-4] received August 22, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4155. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Thiamethoxam; Pesticide Tolerances for Emergency Exemptions [OPP-2003-0254;

FRL-7320-2] received August 22, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4156. A letter from the Under Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Michael P. DeLong, United States Marine Corps, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

4157. A letter from the Alternate OSD Federal Register Liaison Officer, Department of Defense, transmitting the Department's final rule—TRICARE Program; Waiver of Certain TRICARE Deductibles; Clarification of TRICARE Prime Enrollment Period; Enrollment in TRICARE Prime Remote for Active Duty Family Members (RIN: 0720-AA72) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

4158. A letter from the Alternate OSD Federal Register Liaison Officer, Department of Defense, transmitting the Department's final rule—TRICARE; Changes Included in the National Defense Authorization Act for Fiscal Year 2003 (NDAA-03) (RIN: 0720-AA85) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

4159. A letter from the Alternate OSD Federal Register Liaison Officer, Department of Defense, transmitting the Department's final rule—TRICARE; Elimination of Nonavailability Statement and Referral Authorization Requirements and Elimination of Specialized Treatment Services Program (RIN: 0720-AA79) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

4160. A letter from the Deputy Congressional Liaison, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Credit by Brokers and Dealers; List of Foreign Margin Stocks [Regulation T] received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4161. A letter from the Senior Paralegal (Regulations), Department of the Treasury, transmitting the Department's final rule—Removal, Suspension, and Debarment of Accountants From Performing Audit Services; Office of the Comptroller of the Currency [Docket No. 03-19] (RIN: 1557-AC10); Board of Governors of the Federal Reserve System [Docket No. R-1139]; Federal Deposit Insurance Corporation (RIN: 3064-AC57); Office of Thrift Supervision [No. 2003-33] (RIN: 1550-AB53) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4162. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on transactions involving U.S. exports to Singapore pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

4163. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on transactions involving U.S. exports to Ethiopia pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

4164. A letter from the President and Chairman, Export-Import Bank of the United

States, transmitting a report on transactions involving U.S. exports to Hong Kong pursuant to Section 2(b)(3) of the Export-Import Bank Act of 1945, as amended, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

4165. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Organization and Operations of Federal Credit Unions—received July 7, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

4166. A letter from the Director, Office of Standards, Regulations, Department of Labor, transmitting the Department's final rule—Seat Belts for Off-Road Work Machines and Wheeled Agriculture Tractors at Matal and Nonmetal Mines (RIN: 1219-AA98(Phase 6)) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4167. A letter from the Director, Office of Standards, Regulations, Department of Labor, transmitting the Department's final rule—Standards for Sanitary Toilets in Coal Mines (RIN: 1219-AA98 (Phase 9)) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

4168. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Financial Assistance Regulations (RIN: 1991-AB57) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4169. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Value Engineering (AL 2003-04) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4170. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Oklahoma: Incorporation by Reference of Approved State Hazardous Waste Management Program [FRL-7479-3] received August 13, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4171. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule Approval and Promulgation of Air Quality Implementation Plans; West Virginia; Redesignation of the Follansbee PM10 Nonattainment Area to Attainment and Approval of the Associated Maintenance Plan [WV061-6031a; FRL-7549-1] received August 22, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4172. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(l) Authority for Hazardous Air Pollutants; Equivalency by Permit Provisions; National Emission Standards for Hazardous Air Pollutants from the Pulp and Paper Industry; State of North Carolina [NC-112L-2003-1-FRL-7549-6] received August 22, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4173. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule ational Emission Standards for Hazardous

Air Pollutants: Surface Coating of Miscellaneous Metal Parts and Products [OAR-2003-0116; FRL-7549-7] (RIN: 2060-AG56) received August 22, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4174. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants: Site Remediation [OAR-2002-0021; FRL-7549-3] (RIN: 2060-AH12) received August 22, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4175. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines [OAR-2002-0060; FRL-7754-2] (RIN: 2060-AG67) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4176. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants: Miscellaneous Coating Manufacturing [Docket No. OAR 2003-0178; FRL-7554-3] (RIN: 2060-AK59) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4177. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants: Chlorine and Hydrochloric Acid Emissions from Chlorine Production [OAR-2002-0016; FRL-7554-6] (RIN: 2060-AK38) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4178. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants: Mercury Emissions from Mercury Cell Chlor-Alkali Plants [OAR-2002-0017; FRL-7551-5] (RIN: 2060-AE85) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4179. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Emergency Planning and Community Right-to-Know Act; Extremely Hazardous Substances List; Modification of Threshold Planning Quantity for Isophorone Diisocyanate [FRL-7554-9] (RIN: 2050-AE43) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4180. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants for Iron and Steel Foundries [OAR-2002-0034; FRL-7554-5] (RIN: 2060-AE43) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4181. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Emission Standards for Hazardous Air Pollutants: Surface Coating of Plastic Parts and Products [OAR-2002-0074; FRL-7554-4] (RIN: 2060-AG57) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4182. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Protection of Stratospheric Ozone:

Phaseout of Chlorobromomethane Production and Consumption [FRL-7553-3] (RIN: 2060-AJ27) received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4183. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the Nevada State Implementation Plan, Clark County Air Quality Management Board [NV 045-0070a; FRL-7547-9] received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4184. A letter from the Secretary of the Commission, Federal Trade Commission, transmitting the Commission's final rule—Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act ("Appliance Labeling Rule")—received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

4185. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles that are firearms controlled under category I of the United States Munitions List sold commercially under a contract with Colombia (Transmittal No. DTC 085-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

4186. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license for the manufacture of a significant military equipment abroad and the export of defense articles or defense services under a contract to Mexico (Transmittal No. DTC 086-03), pursuant to 22 U.S.C. 2776(c) and 22 U.S.C. 2776(d); to the Committee on International Relations.

4187. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed manufacturing license for the manufacture of a significant military equipment abroad and the export of defense articles or defense services under a contract to Japan (Transmittal No. DDTC 087-03), pursuant to 22 U.S.C. 2776(c) and 22 U.S.C. 2776(d); to the Committee on International Relations.

4188. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Algeria and the United Kingdom (Transmittal No. DTC 078-03), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

4189. A communication from the President of the United States, transmitting a report, covering three years, on the activities of the United States Government departments and agencies relating to the prevention of nuclear proliferation between January 1, 2000 and December 31, 2002, pursuant to 22 U.S.C. 3281; to the Committee on International Relations.

4190. A letter from the Acting General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize the transfer of naval vessels to certain foreign countries; to the Committee on International Relations.

4191. A letter from the Chief Counsel (Foreign Assets Control), Department of the Treasury, transmitting the Department's final rule—Foreign Assets Control Regulations; Reporting and Procedures Regulations; Cuban Assets Control Regulations; Publication of Revised Civil Penalties Hearing Regulations—received September 4, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

4192. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting "Report on Adherence to and Compliance with Arms Control and Non-proliferation Agreements and Commitments," pursuant to 22 U.S.C. 2579; to the Committee on International Relations.

4193. A letter from the Assistant Secretary of Legislative Affairs, Department of State, transmitting notification of export of Items to Iraq in the National interest of the United States pursuant to section 1504 of the Emergency Wartime Supplemental Appropriation Act, 2003 (Transmittal No. DTC 021Z-03); to the Committee on International Relations.

4194. A letter from the Senior Attorney, Department of the Treasury, transmitting the Department's final rule—Federal Government Participation in the Automated Clearing House (RIN: 1510-AA93) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

4195. A letter from the Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Virginia Regulatory Program [VA-120-FOR] received September 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4196. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Arrowtooth Flounder in the Western Regulatory Area of the Gulf of Alaska [Docket No. 021122286-3036-02; I.D. 081503A] received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4197. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Collection of Claims Owed the United States (RIN: 1901-AA98) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4198. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—Visas: Documentation of Nonimmigrants Under the Immigration and Nationality Act—received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4199. A letter from the Chairman, Surface Transportation Board, transmitting the Board's final rule—Railroad Consolidation Procedures—Exemption for Temporary Trackage Rights [STB Ex Parte No. 282 (Sub-No. 20)] received June 30, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4200. A letter from the Director, Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Schedule for Rating Disabilities; The Spine (RIN: 2900-AJ60) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4201. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Examination of returns and claims for refund, credit, or abatement; determination of correct tax liability (Rev. Proc. 2003-67) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4202. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Compensatory Stock Options Under Section 482 [TD 9088] (RIN: 1545-BA57) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4203. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting

the Service's final rule—Exclusions From Gross Income of Foreign Corporations [TD9087] (RIN: 1545-BA07) received September 2, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4204. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Accounts received Under Accident and Health Plans (Rev. Rul. 2003-102) received September 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4205. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Limitation on Use of the Nonaccrual-Experience Method of Accounting Under Section 448(d)(5) [TD 9090] (RIN: 1545-BC31) received September 5, 2003, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

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. POMBO: Committee on Resources. Supplemental report on H.R. 1038. A bill to increase the penalties to be imposed for a violation of fire regulations applicable to the public lands, National Park System lands, or National Forest Service lands when the violation results in damage to public or private property, to specify the purpose for which collected fines may be used, and for other purposes (Rept. 108-218, Pt. 2).

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. TOM DAVIS of Virginia (for himself, Mr. HOYER, and Mr. WELDON of Pennsylvania):

H.R. 3054. A bill to amend the Policemen and Firemen's Retirement and Disability Act to permit military service previously performed by members and former members of the Metropolitan Police Department of the District of Columbia, the Fire Department of the District of Columbia, the United States Park Police, and the United States Secret Service Uniformed Division to count as creditable service for purposes of calculating retirement annuities payable to such members upon payment of a contribution by such members, and for other purposes; to the Committee on Government Reform.

By Mr. SMITH of Michigan (for himself, Mr. KOLBE, Mr. STENHOLM, Mr. TOOMEY, Mr. SHADEGG, and Mr. FLAKE):

H.R. 3055. A bill to amend title II of the Social Security Act and the Internal Revenue Code of 1986 to provide prospectively for personalized retirement security through personal retirement savings accounts to allow for more control by individuals over their Social Security retirement income, to amend such title and the Balanced Budget and Emergency Deficit Control Act of 1985 to protect Social Security surpluses, and to provide other reforms relating to benefits under such title II; to the Committee on Ways and Means.

By Ms. GINNY BROWN-WAITE of Florida:

H.R. 3056. A bill to clarify the boundaries of the John H. Chafee Coast Barrier Resources System Cedar Keys Unit P25 on Otherwise Protected Area P25P; to the Committee on Resources.

By Mr. LAMPSON (for himself, Ms. JACKSON-LEE of Texas, Mr. BELL, Mr. HONDA, Mr. GREEN of Texas, Mr. ORTIZ, Mr. EVANS, Ms. LINDA T. SANCHEZ of California, Mr. PASCARELL, Mr. HALL, Mr. REYES, Mr. ISRAEL, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. EDWARDS, Mr. COSTELLO, Mr. LIPINSKI, Mr. GORDON, Mr. UDALL of Colorado, Mr. LARSON of Connecticut, Mr. MILLER of North Carolina, Mr. FROST, Mr. SANDLIN, Mr. TURNER of Texas, Mr. WU, Mr. KUCINICH, Ms. ESHOO, and Ms. MCCARTHY of Missouri):

H.R. 3057. A bill to restore a vision for the United States human space flight program by instituting a series of incremental goals that will facilitate the scientific exploration of the solar system and aid in the search for life elsewhere in the universe, and for other purposes; to the Committee on Science.

By Mr. ENGLISH (for himself, Mr. BALLENGER, Mr. GREEN of Wisconsin, Mr. REYNOLDS, Mr. SENSENBRENNER, Mr. HUNTER, Mrs. MYRICK, Mr. BURR, Mr. COBLE, Mr. GILLMOR, Mr. SOUDER, Mr. TAYLOR of North Carolina, Mr. GREENWOOD, Mr. HAYES, Mr. HOEKSTRA, Mr. COLLINS, Mr. ROHR-ABACHER, Mr. EVERETT, Mr. PLATTS, Mr. GALLEGLY, Mr. GOODE, Mr. PETERSON of Pennsylvania, Mr. DUNCAN, Mr. MURPHY, Mr. WILSON of South Carolina, Mr. OTTER, Mr. JONES of North Carolina, Mr. UPTON, Mr. BROWN of South Carolina, Mr. SHUSTER, Mr. BARRETT of South Carolina, Mr. LEWIS of Kentucky, Mr. WALSH, Mr. NORWOOD, Mr. SHAW, Mr. TERRY, and Mr. BISHOP of Utah):

H.R. 3058. A bill to require the Secretary of the Treasury to analyze and report on the exchange rate policies of the People's Republic of China, and to require that additional tariffs be imposed on products of that country on the basis of the rate of manipulation by that country of the rate of exchange between the currency of that country and the United States dollar; to the Committee on Ways and Means.

By Mr. BERRY:

H.R. 3059. A bill to designate the facility of the United States Postal Service located at 304 West Michigan Street in Stuttgart, Arkansas, as the "Lloyd L. Burke Post Office"; to the Committee on Government Reform.

By Mr. SMITH of Michigan (for himself, Mr. HALL, Mr. HEFLEY, and Mrs. MYRICK):

H.R. 3060. A bill to repeal the current Internal Revenue Code and replace it with a flat tax, thereby guaranteeing economic growth and greater fairness for all Americans; to the Committee on Ways and Means, and in addition to the Committee on Rules, 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. CORRINE BROWN of Florida (for herself, Mr. ACEVEDO-VILA, and Ms. BERKLEY):

H.R. 3061. A bill to authorize major medical facility projects for the Department of Veterans Affairs in connection with the Capital Asset Realignment for Enhanced Services initiative and to satisfy Department of Veterans Affairs requirements on natural disasters, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. CANNON:

H.R. 3062. A bill to amend the Mineral Leasing Act to authorize the Secretary of the Interior to issue separately, for the same area, a lease for tar sand and a lease for oil and gas, and for other purposes; to the Committee on Resources.

By Ms. DELAURO (for herself, Mr. WAXMAN, Mr. SERRANO, Mr. TOWNS, Mr. GRIJALVA, Mrs. CHRISTENSEN, and Mr. ACEVEDO-VILA):

H.R. 3063. A bill to authorize the Secretary of Health and Human Services, the Secretary of Education, and the Attorney General to make 10 grants to demonstration facilities to implement evidence-based preventive-screening tools to detect mental illness and suicidal tendencies in school-age youth at selected facilities; to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce, 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. EHLERS:

H.R. 3064. A bill to amend the Internal Revenue Code of 1986 to encourage stronger math and science programs at elementary and secondary schools; to the Committee on Ways and Means.

By Mr. FALEOMAVAEGA:

H.R. 3065. A bill to authorize the extension of the supplemental security income program to American Samoa; to the Committee on Ways and Means.

By Mr. GARRETT of New Jersey (for himself, Mr. ANDREWS, Mrs. KELLY, Mr. MURPHY, Mr. BERREUTER, Mr. BOYD, Mr. RAMSTAD, Mr. MOORE, Mr. CARTER, Mr. MCCOTTER, Mr. FEENEY, Ms. GINNY BROWN-WAITE of Florida, Mr. HENSARLING, and Ms. HART):

H.R. 3066. A bill to amend the Fair Debt Collection Practices Act to make certain technical corrections, and for other purposes; to the Committee on Financial Services.

By Mr. GOODE (for himself and Mr. BOUCHER):

H.R. 3067. A bill to provide mortgage payment assistance for certain employees who are separated from employment; to the Committee on Education and the Workforce.

By Ms. HARRIS (for herself, Mr. CRENSHAW, Mr. MILLER of Florida, Mr. KELLER, Mr. WELDON of Florida, Mr. HASTINGS of Florida, Mr. FEENEY, Mr. BILIRAKIS, Ms. GINNY BROWN-WAITE of Florida, Mr. BOYD, Mr. GOSS, Mr. PUTNAM, Mr. FOLEY, Mr. WEXLER, Mr. YOUNG of Florida, Ms. CORRINE BROWN of Florida, Mr. DAVIS of Florida, Mr. MEEK of Florida, Mr. MICA, Mr. MARIO DIAZ-BALART of Florida, Mr. LINCOLN DIAZ-BALART of Florida, Ms. ROS-LEHTINEN, Mr. STEARNS, Mr. DEUTSCH, and Mr. SHAW):

H.R. 3068. A bill to designate the facility of the United States Postal Service located at 2055 Siesta Drive in Sarasota, Florida, as the "Brigadier General (AUS-Ret.) John H. McLain Post Office"; to the Committee on Government Reform.

By Mr. HUNTER (for himself, Mr. SMITH of New Jersey, Mr. PITTS, Mr. STEARNS, Mr. CRANE, Mrs. JO ANN DAVIS of Virginia, Mr. AKIN, Mr. LEWIS of Kentucky, Mr. BARTLETT of Maryland, Mr. SOUDER, Mr. GARRETT of New Jersey, and Mr. RYUN of Kansas):

H.R. 3069. A bill to implement equal protection under the 14th article of amendment to the Constitution for the right to life of each born and preborn human person; to the Committee on the Judiciary.

By Mr. LOBIONDO (for himself, Mr. SAXTON, Mr. HOLT, Mr. ANDREWS, Mr. PALLONE, Mr. FRELINGHUYSEN, Mr. SMITH of New Jersey, Mr. PAYNE, Mr. PASCARELL, Mr. ROTHMAN, Mr. FERGUSON, Mr. GARRETT of New Jersey, and Mr. MENENDEZ):

H.R. 3070. A bill to authorize appropriations for the Coastal Heritage Trail Route in New Jersey, and for other purposes; to the Committee on Resources.

By Mr. PAUL:

H.R. 3071. A bill to prohibit the provision of Federal funds to the housing-related government-sponsored enterprises and to remove certain competitive advantages granted under law to such enterprises; to the Committee on Financial Services.

By Mr. PAUL (for himself and Mr. SANDERS):

H.R. 3072. A bill to prohibit the Overseas Private Investment Corporation from providing insurance or financing to countries that subsidize their steel industries and for projects producing goods subject to anti-dumping duties, to require the United States to oppose the provision by the International Monetary Fund of assistance to countries which subsidize their steel industries, and to ban assistance by the Export-Import Bank of the United States to countries that subsidize their steel industries; to the Committee on Financial Services, and in addition to the Committee on International Relations, 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. RAMSTAD (for himself, Mr. GUTKNECHT, Mr. KLINE, Ms. MCCOLLUM, Mr. SABO, Mr. KENNEDY of Minnesota, Mr. PETERSON of Minnesota, and Mr. OBERSTAR):

H.R. 3073. A bill to amend the Internal Revenue Code of 1986 to provide that the conducting of certain games of chance shall not be treated as an unrelated trade or business; to the Committee on Ways and Means.

By Mr. SPRATT:

H.R. 3074. A bill to authorize the Secretary of the Interior to study the suitability and feasibility of designating the site of the Battle of Camden in South Carolina, as a unit of the National Park System, and for other purposes; to the Committee on Resources.

By Mr. BROWN of Ohio (for himself, Mr. QUINN, Mr. WAXMAN, Mr. PETERSON of Minnesota, Ms. SOLIS, Mr. LATOURETTE, and Mr. GEORGE MILLER of California):

H. Con. Res. 276. Concurrent resolution providing that any agreement relating to trade and investment that is negotiated by the executive branch with other countries must comply with certain minimum standards; to the Committee on Ways and Means.

By Mr. BURGESS:

H. Con. Res. 277. Concurrent resolution expressing the sense of the House of Representatives that Congress should devote resources to researching treatment options for women with ovarian cancer and support community groups that promote awareness about the disease and encourage early diagnosis; to the Committee on Energy and Commerce.

By Mr. BURTON of Indiana (for himself, Mr. VISCLOSKEY, Mr. BUYER, Mr. HOSTETTLER, Mr. SOUDER, Ms. CARSON of Indiana, Mr. HILL, Mr. PENCE, and Mr. CHOCOLA):

H. Res. 365. A resolution extending the thoughts and prayers of the House of Representatives to Governor Frank O'Bannon of Indiana, his wife Judy, and his family and friends, and expressing hope for a full recovery from the stroke he suffered on September 8, 2003; to the Committee on Government Reform.

By Ms. KAPTUR (for herself, Mr. RYAN of Ohio, and Mr. EVANS):

H. Res. 366. A resolution urging the President to establish an Iraq service medal to recognize service by members of the Armed Forces in Operation Iraqi Freedom; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Mr. MCCOTTER.
 H.R. 31: Mr. SMITH of Washington.
 H.R. 338: Mr. STUPAK.
 H.R. 369: Mr. GRIJALVA and Mr. TIBERI.
 H.R. 463: Ms. HART and Mr. BOEHLERT.
 H.R. 476: Mr. STUPAK, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. MCCOTTER.
 H.R. 571: Mr. DUNCAN, Mr. MILLER of North Carolina, and Mr. CRAMER.
 H.R. 583: Mr. GUTIERREZ.
 H.R. 673: Mr. BEAUPREZ.
 H.R. 678: Mr. BALLANCE and Mr. ALEXANDER.
 H.R. 687: Mr. LAHOOD, Mr. PETERSON of Pennsylvania, Mr. NEUGEBAUER, and Mr. WHITFIELD.
 H.R. 709: Mr. NUSSLE.
 H.R. 745: Mr. BACA and Mr. CAPUANO.
 H.R. 775: Mr. CARTER and Mrs. BLACKBURN.
 H.R. 798: Mr. ACKERMAN, Mr. SPRATT, Mr. SOUDER, Mr. WU, Ms. SLAUGHTER, and Mr. BROWN of Ohio.
 H.R. 814: Mrs. MILLER of Michigan and Mr. LAHOOD.
 H.R. 857: Mr. McNULTY and Ms. SLAUGHTER.
 H.R. 870: Mr. MCCOTTER.
 H.R. 871: Mr. CARSON of Oklahoma.
 H.R. 898: Mr. ENGLISH.
 H.R. 911: Mr. WOLF, Mr. DEFAZIO, Mr. MATSUI, Mr. GEORGE MILLER of California, Mr. STRICKLAND, Mr. DAVIS of Alabama, Mr. FILLNER, Mr. BISHOP of New York, Ms. LEE, Mr. TANNER, Mr. BERRY, Mr. SWEENEY, Mr. ROTHMAN, Mr. LAMPSON, Mr. EDWARDS, Mr. MICHAUD, Mr. WICKER, Mr. WALSH, Mrs. CHRISTENSEN, Ms. SLAUGHTER, Mr. LEWIS of Kentucky, Mr. DREIER, Mr. MEEK of Florida, Mr. RYAN of Wisconsin, Mr. TOOMEY, Mr. OSBORNE, Mr. CARTER, Mr. PLATTS, Mr. ROHRBACHER, Mr. CAMP, Mr. CRENSHAW, Mr. BROWN of South Carolina, Mr. DICKS, Mr. KUCINICH, Mr. JOHN, Mr. WALDEN of Oregon, Mr. SHIMKUS, Mr. UDALL of New Mexico, Mr. GINGREY, Mr. PUTNAM, Mr. KING of New York, Mr. NEAL of Massachusetts, Mr. ABERCROMBIE, Mr. ALEXANDER, Ms. HOOLEY of Oregon, Mr. GREEN of Texas, Mr. TIERNEY, Mr. DELAHUNT, Mr. HOLT, Mr. KINGSTON, Mr. STUPAK, Mr. ISRAEL, Mr. BERMAN, Mr. ENGEL, Mr. CARSON of Oklahoma, Mrs. KELLY, Mr. HAYWORTH, Mr. BACHUS, Ms. ESHOO, Mr. MEEKS of New York, Mr. TOWNS, Mr. REHBERG, Mr. BURGESS, Ms. MILLENDER-MCDONALD, Mr. MCGOVERN, Mr. RAMSTAD, Mr. SMITH of Texas, Mr. BALLENGER, Mr. UDALL of Colorado, Mr. COSTELLO, Mr. ETHERIDGE, Mrs. BIGGERT, Mr. McNULTY, Mr. CROWLEY, Mr. PICKERING, Mr. CALVERT, Mr. TAYLOR of Mississippi, Mr. DOGGETT, Ms. HART, Mr. KILDEE, Mrs. CAPPS, Ms. LOFGREN, Mr. SABO, Mr. DOOLEY of California, Mr. BURTON of Indiana, Mr. PAYNE, Mr. SERRANO, Mr. WATT, Mr. SAM JOHNSON of Texas, Mr. PRICE of North Carolina, Ms. WATSON, Mr. AKIN, Mr. OBEY, Mr. CUMMINGS, Mrs. BONO, Mr. SHERMAN, Mr. KENNEDY of Minnesota, Mr. MARSHALL, Mr. OWENS, Ms. BERKLEY, Mr. CARDIN, Ms. MCCARTHY of Missouri, Mr. WYNN, Mr. CASE, Mr. BALLANCE, Ms. LINDA T. SANCHEZ of California, Mr. HINCHEY, Mr. MILLER of North Carolina, Mr. WEXLER, Mr. HONDA, Ms. GINNY BROWN-WAITE of Florida, Mr. GRIJALVA, Mr. BECERRA, Mr. GUTIERREZ, Ms. KAPTUR, and Mr. DINGELL.
 H.R. 918: Mr. CUNNINGHAM, Mrs. MYRICK, Mr. TIBERI, Mr. SMITH of Washington, Mr. COX, Mr. WICKER, Mr. CASTLE, Mr. LATOURETTE, Ms. HOOLEY of Oregon, Mrs. EMERSON, Mr. KIRK, Mr. KLECZKA, Mr. SHIMKUS, Mr. WELLER, and Mr. SIMMONS.
 H.R. 970: Mr. INSLEE and Ms. SOLIS.
 H.R. 978: Mrs. MALONEY.
 H.R. 1043: Mr. STUPAK.

H.R. 1046: Mr. KIND.
 H.R. 1083: Mr. HOLT.
 H.R. 1105: Mr. MILLER of North Carolina.
 H.R. 1173: Mr. DUNCAN.
 H.R. 1179: Mr. TIBERI.
 H.R. 1244: Mr. STRICKLAND.
 H.R. 1250: Mr. SENSENBRENNER.
 H.R. 1258: Ms. ESHOO.
 H.R. 1295: Mr. PASTOR, Ms. DELAURO, Mr. INSLEE, Mr. GILLMOR, Mr. BLUMENAUER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KIND, Ms. CARSON of Indiana, Mr. RODRIGUEZ, Ms. HART, and Mr. BISHOP of Georgia.
 H.R. 1305: Mr. JOHN, Mr. DEAL of Georgia, and Mr. HUNTER.
 H.R. 1336: Ms. HARRIS, Mr. GONZALEZ, Mr. THOMPSON of California, Mr. LAMPSON, Mr. ETHERIDGE, Mrs. WILSON of New Mexico, Mr. BOOZMAN, Mr. ORTIZ, Mrs. JONES of Ohio, Mr. TIBERI, Mr. REYES, Ms. LINDA T. SANCHEZ of California, Mr. LATOURETTE, Mr. PASCRELL, Mr. CLYBURN, Mr. RENZI, Mr. CARTER, and Mr. EDWARDS.
 H.R. 1342: Mr. SNYDER.
 H.R. 1359: Mr. MCCOTTER, Mr. McNULTY, and Ms. BERKLEY.
 H.R. 1372: Mr. UDALL of New Mexico and Mr. TANCREDO.
 H.R. 1397: Mr. PETRI.
 H.R. 1477: Mr. UDALL of New Mexico.
 H.R. 1508: Mr. HINCHEY.
 H.R. 1513: Mr. PENCE, Mr. TURNER of Texas, Mr. MORAN of Kansas, Mr. WICKER, Mrs. CAPITO, Mr. GRAVES, Mr. SHUSTER, Mr. NEAL of Massachusetts, Mr. SCHROCK, and Mr. HAYES.
 H.R. 1519: Mr. GRIJALVA.
 H.R. 1523: Mr. HAYWORTH, Mr. McINNIS, Mr. SKELTON, Mr. WELDON of Pennsylvania, and Mr. MOORE.
 H.R. 1532: Ms. SCHAKOWSKY and Mr. BASS.
 H.R. 1538: Mr. ISRAEL.
 H.R. 1566: Mr. JONES of North Carolina.
 H.R. 1612: Mr. STEARNS.
 H.R. 1657: Mr. STARK.
 H.R. 1676: Mrs. TAUSCHER.
 H.R. 1684: Mr. BECERRA, Mr. KIND, Mr. CASTLE, Mr. PASCRELL, and Mr. FATTAH.
 H.R. 1690: Ms. BORDALLO and Mr. GEORGE MILLER of California.
 H.R. 1692: Mrs. MCCARTHY of New York and Mr. WALSH.
 H.R. 1700: Ms. BALDWIN, Mr. ALLEN, Mr. DAVIS of Illinois, and Mrs. BIGGERT.
 H.R. 1710: Mr. MANZULLO.
 H.R. 1738: Mr. WEINER, Mrs. LOWEY, Mr. PETERSON of Minnesota, Mr. CLAY, and Mr. BRADY of Pennsylvania.
 H.R. 1742: Mr. ORTIZ.
 H.R. 1749: Mr. FOLEY.
 H.R. 1769: Ms. MCCARTHY of Missouri and Ms. SLAUGHTER.
 H.R. 1779: Mr. HOSTETTLER.
 H.R. 1783: Mr. ISAKSON.
 H.R. 1811: Ms. HOOLEY of Oregon, Mr. ALLEN, and Mr. LEACH.
 H.R. 1819: Mr. McDERMOTT.
 H.R. 1828: Ms. PELOSI, Mr. BISHOP of Utah, Mr. STARK, and Mr. JACKSON of Illinois.
 H.R. 1833: Mrs. MILLER of Michigan and Mr. FOLEY.
 H.R. 1873: Mr. STUPAK and Mr. SOUDER.
 H.R. 1886: Mr. PRICE of North Carolina.
 H.R. 1889: Mr. STARK, Mrs. NAPOLITANO, and Mr. ALEXANDER.
 H.R. 1900: Mr. BAIRD, Mr. DOYLE, Mr. GORDON, Mr. LATHAM, Ms. ESHOO, Mr. ISSA, Mr. JEFFERSON, Mr. BERMAN, Mr. BISHOP of Georgia, Mr. TOM DAVIS of Virginia, Mr. SERRANO, Mrs. BONO, Mr. RODRIGUEZ, Mr. HERGER, Mr. SHERMAN, Mr. DREIER, Mr. WICKER, Mr. MCGOVERN, Mr. DELAHUNT, Mr. TIERNEY, Mr. SANDLIN, and Ms. VELAZQUEZ.
 H.R. 1902: Mr. HOLT and Mr. OLVER.
 H.R. 1956: Mrs. LOWEY and Mr. TERRY.
 H.R. 1961: Mr. LIPINSKI.
 H.R. 2038: Mr. KLECZKA.
 H.R. 2045: Mr. RAHALL, Mr. COLLINS, and Mr. KINGSTON.

H.R. 2068: Mr. PRICE of North Carolina, Mr. UDALL of New Mexico, and Mr. GONZALEZ.
 H.R. 2069: Mr. PRICE of North Carolina, Mr. UDALL of New Mexico, and Mr. GONZALEZ.
 H.R. 2157: Mr. HONDA, Mr. DOGGETT, Mr. LEWIS of Georgia, and Mr. CARDIN.
 H.R. 2208: Mr. WELDON of Florida and Mr. HAYWORTH.
 H.R. 2213: Mr. GRIJALVA.
 H.R. 2269: Mr. BARRETT of South Carolina.
 H.R. 2277: Mr. STUPAK.
 H.R. 2296: Mr. BURNS, Mrs. MUSGRAVE, Mr. BARTON of Texas, and Mrs. LOWEY.
 H.R. 2346: Mr. GARRETT of New Jersey.
 H.R. 2347: Mr. ADERHOLT, Mr. WELDON of Florida, Mr. HOSTETTLER, and Mr. SULLIVAN.
 H.R. 2365: Mr. GREEN of Texas, Mr. BALLENGER, and Mr. LIPINSKI.
 H.R. 2404: Mr. SHAYS.
 H.R. 2437: Mr. DEUTSCH and Mr. GUTIERREZ.
 H.R. 2440: Ms. BALDWIN.
 H.R. 2456: Mr. KIRK.
 H.R. 2490: Ms. BERKLEY, Mr. ROTHMAN, Ms. MILLENDER-MCDONALD, and Ms. CORRINE BROWN of Florida.
 H.R. 2521: Mr. PLATTS.
 H.R. 2527: Mr. PRICE of North Carolina and Mr. HOEFFEL.
 H.R. 2601: Mr. McDERMOTT and Mr. JANKLOW.
 H.R. 2614: Ms. MILLENDER-MCDONALD and Mr. MORAN of Virginia.
 H.R. 2633: Mr. BAIRD.
 H.R. 2634: Mr. TANNER.
 H.R. 2635: Mr. HAYWORTH, Mr. REHBERG, Mr. PITTS, Mr. WICKER, Mr. COX, Mr. ISAKSON, Mr. NUNES, Mr. SOUDER, Mr. GARY G. MILLER of California, and Mr. GREEN of Wisconsin.
 H.R. 2665: Mr. STUPAK and Mr. LIPINSKI.
 H.R. 2699: Mr. BEREUTER, Mr. OXLEY, Mr. DEMINT, Mr. HALL, Mr. SCOTT of Georgia, Mr. HERGER, Mr. SHADEGG, and Mr. MEEKS of New York.
 H.R. 2708: Mr. LIPINSKI.
 H.R. 2711: Mr. UDALL of New Mexico and Mr. MICHAUD.
 H.R. 2719: Mr. JENKINS and Mrs. JO ANN DAVIS of Virginia.
 H.R. 2720: Ms. CARSON of Indiana, Mr. KIND, Mr. MCHUGH, Mr. SHIMKUS, Mr. BISHOP of New York, Ms. NORTON, Mr. MCINTYRE, and Mr. GRIJALVA.
 H.R. 2727: Mr. PLATTS.
 H.R. 2732: Mr. MCCOTTER, Mr. BURGESS, Mr. LATHAM, Mr. GINGREY, Mr. TANCREDO, and Mr. ROHRABACHER.
 H.R. 2733: Mr. HALL.
 H.R. 2743: Mr. AKIN.
 H.R. 2752: Ms. BERKLEY.
 H.R. 2824: Ms. HART and Mr. PLATTS.
 H.R. 2835: Mr. BEAUPREZ.
 H.R. 2840: Ms. SCHAKOWSKY and Mr. VAN HOLLEN.

H.R. 2843: Mr. SOUDER.
 H.R. 2844: Mr. CONYERS.
 H.R. 2849: Mr. TANCREDO.
 H.R. 2851: Mr. FEENEY.
 H.R. 2853: Mr. FROST.
 H.R. 2880: Ms. JACKSON-LEE of Texas, Mr. GRIJALVA, Mrs. JONES of Ohio, Mr. COOPER, Mr. HINCHEY, Mr. FROST, Mr. PAYNE, and Ms. BERKLEY.
 H.R. 2885: Mr. FORBES.
 H.R. 2890: Mr. MARSHALL.
 H.R. 2898: Mr. PETERSON of Minnesota, Ms. MCCARTHY of Missouri, Mr. RUSH, and Mrs. CUBIN.
 H.R. 2914: Ms. EDDIE BERNICE JOHNSON of Texas.
 H.R. 2929: Mrs. CUBIN.
 H.R. 2932: Mr. PALLONE.
 H.R. 2952: Mr. GRIJALVA.
 H.R. 2956: Mr. WILSON of South Carolina, Ms. JACKSON-LEE of Texas, Mr. CASE, Ms. DELAURO, Ms. MILLENDER-MCDONALD, Mr. McNULTY, Mr. FROST, and Ms. SOLIS.
 H.R. 2971: Ms. MCCOLLUM.
 H.R. 2998: Mr. MURTHA, Mr. DEUTSCH, Ms. GRANGER, Ms. PELOSI, Mr. WOLF, Mrs. JO ANN DAVIS of Virginia, Mr. HOSTETTLER, Mr. COSTELLO, Mr. SANDLIN, Mrs. BLACKBURN, Mr. OWENS, Mr. TURNER of Ohio, Ms. LEE, Mr. TANNER, Mr. BEAUPREZ, Mr. WELDON of Pennsylvania, Mr. WICKER, Mr. PETERSON of Pennsylvania, Mr. BONILLA, Mr. BURGESS, Mr. MARSHALL, Mr. MILLER of Florida, Mr. BRADLEY of New Hampshire, Mr. AKIN, Mr. WILSON of South Carolina, Mr. SIMPSON, Mr. WALSH, Mr. FRELINGHUYSEN, Mr. DICKS, Mr. HOBSON, Ms. ROS-LEHTINEN, Mr. SHAW, Mr. ADERHOLT, Ms. PRYCE of Ohio, Mr. WAMP, Ms. KAPTUR, Ms. MILLENDER-MCDONALD, Mr. SCOTT of Georgia, Mr. SHERWOOD, Mr. LEWIS of California, Ms. KILPATRICK, Mr. BERMAN, Mr. SWEENEY, Mr. STEARNS, Mr. HASTINGS of Washington, Mr. OBEY, Mr. CROWLEY, and Mr. MORAN of Virginia.
 H.R. 3004: Mr. COOPER.
 H.R. 3011: Mr. BECERRA, Mr. LANTOS, Mr. GALLEGLY, Mr. BACA, Mr. MILLER of Florida, Mr. GRIJALVA, Mr. WAXMAN, Mr. OSE, and Mr. McNULTY.
 H.R. 3023: Ms. KAPTUR, Mr. LIPINSKI, Mr. RYAN of Ohio, and Mr. PALLONE.
 H.R. 3027: Mr. TOWNS and Mrs. JONES of Ohio.
 H.R. 3043: Mr. CARDOZA.
 H.J. Res. 56: Mr. KINGSTON and Mr. BOOZMAN.
 H.J. Res. 62: Mr. SHUSTER.
 H. Con. Res. 94: Mr. BOSWELL, Mr. WHITFIELD, Mr. RAMSTAD, Mr. MORAN of Kansas, Mrs. JOHNSON of Connecticut, Mr. MICHAUD, Mr. BOUCHER, Mr. ROSS, Mr. INSLEE, Ms. BERKLEY, Mr. TERRY, Mr. LAHOOD, and Mr. LEACH.
 H. Con. Res. 98: Mr. ORTIZ.

H. Con. Res. 126: Ms. HART.
 H. Con. Res. 173: Mr. ROTHMAN.
 H. Con. Res. 183: Mr. RAHALL and Mr. SOUDER.
 H. Con. Res. 194: Ms. DELAURO, Mr. WEINER, Mr. SERRANO, and Mr. BISHOP of Georgia.
 H. Con. Res. 196: Ms. MILLENDER-MCDONALD.
 H. Con. Res. 254: Mr. LANGEVIN.
 H. Res. 157: Mr. MCGOVERN, Mr. HINCHEY, Mr. RYAN of Ohio, Mr. ISRAEL, Mr. GRIJALVA, Ms. CARSON of Indiana, Mr. AKIN, Mr. DEFAZIO, Ms. JACKSON-LEE of Texas, Mr. PAYNE, Ms. LEE, and Mr. McNULTY.
 H. Res. 233: Mr. PAYNE.
 H. Res. 261: Mr. MEEKS of New York and Ms. SLAUGHTER.
 H. Res. 285: Mr. HASTINGS of Florida, Mr. ROGERS of Kentucky, Mr. HAYWORTH, and Mr. PLATTS.
 H. Res. 302: Mr. DAVIS of Illinois, Mr. McDERMOTT, Mr. BILIRAKIS, Mr. GRIJALVA, Mr. DOGGETT, Mr. EVANS, and Mrs. MALONEY.
 H. Res. 313: Mr. KING of New York.
 H. Res. 315: Mrs. MALONEY.
 H. Res. 355: Mr. GALLEGLY, Mr. LIPINSKI, and Mr. BELL.
 H. Res. 359: Mr. COX.

DELECTIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1472: Mr. WAMP.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

[Omitted from the Record of September 9, 2003]

H.R. 2622

OFFERED BY: MS. LEE

AMENDMENT No. 15: Page 7, after line 24, insert the following new section:

SEC. 102. FINANCIAL PRIVACY EXCEPTIONS.

Section 624 of the Fair Credit Reporting Act (15 U.S.C. 1681t) is amended by adding at the end the following new subsection:

“(e) FINANCIAL PRIVACY EXCEPTIONS.—Subsections (b) and (c) shall not apply to the California Financial Information Privacy Act (division 1.2 of the California Financial Code, as in effect after June 30, 2004) or the law of any other State that is similar to the California Financial Information Privacy Act.”.