

an opportunity for administrative review in the Internal Revenue Service Office of Appeals has been sent with respect to a penalty to which this section applies, only the Commissioner of Internal Revenue may compromise all or any portion of such penalty.

“(2) APPLICABLE RULES.—The rules of paragraphs (2), (3), (4), and (5) of section 6707A(d) shall apply for purposes of paragraph (1).

“(e) COORDINATION WITH OTHER PENALTIES.—Except as otherwise provided in this part, the penalty imposed by this section shall be in addition to any other penalty imposed by this title.

“(f) CROSS REFERENCES.—

“(1) For coordination of penalty with understatements under section 6662 and other special rules, see section 6662A(e).

“(2) For reporting of penalty imposed under this section to the Securities and Exchange Commission, see section 6707A(e).”.

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter A of chapter 68 is amended by inserting after the item relating to section 6662A the following new item:

“Sec. 6662B. Penalty for understatements attributable to transactions lacking economic substance, etc.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after the date of the enactment of this Act.

#### NOTICES OF HEARINGS/MEETINGS

##### SUBCOMMITTEE ON PUBLIC LANDS AND FORESTS

Mr. CRAIG. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources.

The hearing will be held on Wednesday, April 21st, at 2:30 p.m. in room SD-366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on implementation of the Recreation Fee Demonstration Program by the Forest Service and Bureau of Land Management, and on policies related to the program.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510-6150.

For further information, please contact Frank Gladics at 202-224-2878.

#### AUTHORITY FOR COMMITTEES TO MEET

##### COMMITTEE ON ARMED SERVICES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on April 1, 2004, at 9:30 a.m., in open and closed session to receive testimony for Unified and Regional Commanders on their military strategy and operational requirements, in review of the Defense Authorization Request for fiscal year 2005.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, April 1, 2004, at 2 p.m. to mark up an original bill entitled “The Federal Housing Enterprise Regulatory Reform Act of 2004.”

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, April 1, 2004, off the Senate floor on pending Committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON FOREIGN RELATIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, April 1, 2004, at 9:30 a.m. to hold a hearing on Economic Treaties.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON THE JUDICIARY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, April 1, 2004, at 9:30 a.m. in Dirksen Senate Building room 226.

#### Agenda:

I. Nominations: Henry W. Saad to be U.S. Circuit Judge for the Sixth Circuit; Peter W. Hall to be U.S. Circuit Judge for the Second Circuit; William Gerry Myers III to be U.S. Circuit Judge for the Ninth Circuit; Roger T. Benitez to be U.S. District Judge for the Southern District of California; Jane J. Boyle to be U.S. District Judge for the Northern District of Texas; Marcia G. Cooke to be U.S. District Judge for the Southern District of Florida; Paul S. Diamond to be U.S. District Judge for the Eastern District of Pennsylvania; Walter D. Kelley, Jr. to be U.S. District Judge for the Eastern District of Virginia; and Matthew G. Whitaker to be U.S. Attorney for the Southern District of Iowa.

II. Bills: S. 1735—Gang Prevention and Effective Deterrence Act of 2003 [Hatch, Chambliss, Cornyn, Feinstein, Graham, Grassley, Schumer].

The PRESIDING OFFICER. Without objection, it is so ordered.

##### COMMITTEE ON VETERANS' AFFAIRS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Thursday, April 1, 2004, for a hearing to consider the nominations of

Robert N. Davis, to be Judge, U.S. Court of Appeals for Veterans' Claims, and Pamela M. Iovino, to be Assistant Secretary of Veterans Affairs for Congressional Affairs.

The hearing will take place in room 418 of the Russell Senate Office Building at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON CLEAN AIR, CLIMATE CHANGE AND NUCLEAR SAFETY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air, Climate Change, and Nuclear Safety be authorized to meet on Thursday, April 1 at 9:30 a.m. to conduct an oversight hearing on the implementation of the National Ambient Air Quality Standards for Particulate Matter and Ozone.

The meeting will be held in SD 406.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON IMMIGRATION AND BORDER SECURITY

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Immigration and Border Security be authorized to meet to conduct a hearing on “Securing Our Borders Under a Temporary Guest Worker Proposal” on Thursday, April 1, 2004, at 2:30 p.m. in SD226.

Panel I: The Honorable Robert Bonner, Commissioner, U.S. Customs and Border Protection, Department of Homeland Security, Washington, DC; The Honorable Stewart Verdery, Assistant Secretary for Policy, Border and Transportation Security Directorate, Department of Homeland Security, Washington, DC; and Director Donna Bucella, Terrorist Screening Center, Federal Bureau of Investigations, Department of Justice, Washington, DC.

Panel II: Daniel Griswald, Associate Director for Trade Policy Studies, Cato Institute, Washington, DC and Margaret D. Stock, Associate Professor, U.S. Military Academy, West Point, NY.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Readiness and Management support of the Committee on Armed Services be authorized to meet during the session of the Senate on April 1, 2004, at 2:30 p.m., in open session to receive testimony on military installation programs in review of the Defense authorization request for fiscal year 2005.

The PRESIDING OFFICER. Without objection, it is so ordered.

##### SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology and Space be authorized to meet on Thursday, April 1, 2004, at 2:30 p.m., on NASA FY05 Budget, in SR-253.

THE PRESIDING OFFICER. Without objection, it so ordered.

#### PRIVILEGES OF THE FLOOR

Mr. REED. Mr. President, I ask unanimous consent that Leigh Ann Simmons-Wescott, a legislative fellow in Senator KENNEDY's office, be granted floor privileges during the remainder of the day and cloture vote on the TANF reauthorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALEXANDER. Mr. President, I ask unanimous consent that privilege of the floor be granted to Sharon Segner of my staff for the next hour during consideration of the Get Outdoors Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### 60TH ANNIVERSARY OF THE ALLIED LANDING AT NORMANDY

Mr. FRIST. I ask unanimous consent the Judiciary Committee be discharged from further consideration of S.J. Res. 28 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the resolution by title.

A joint resolution (S.J. Res. 28) recognizing the 60th anniversary of the Allied landing at Normandy during World War II.

There being no objection, the Senate proceeded to consider the resolution.

Mr. FRIST. I ask unanimous consent the joint resolution be read a third time and passed, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 28) was read the third time and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

#### S.J. RES. 28

Whereas June 6, 2004, marks the 60th anniversary of D-Day, the first day of the Allied landing at Normandy during World War II by American, British, and Canadian troops;

Whereas the D-Day landing, known as Operation Overlord, was the most extensive amphibious operation ever to occur, involving on the first day of the operation 5,000 naval vessels, more than 11,000 sorties by Allied aircraft, and 153,000 members of the Allied Expeditionary Force;

Whereas the bravery and sacrifices of the Allied troops at 5 separate Normandy beaches and numerous paratrooper and glider landing zones began what Allied Supreme Commander Dwight D. Eisenhower called a "Crusade in Europe" to end Nazi tyranny and restore freedom and human dignity to millions of people;

Whereas that great assault by sea and air marked the beginning of the end of Hitler's ambition for world domination;

Whereas American troops suffered over 6,500 casualties on D-Day; and

Whereas the people of the United States should honor the valor and sacrifices of their fellow countrymen, both living and dead,

who fought that day for liberty and the cause of freedom in Europe: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress—*

(1) recognizes the 60th anniversary of the Allied landing at Normandy during World War II; and

(2) requests the President to issue a proclamation calling on the people of the United States to observe the anniversary with appropriate ceremonies and programs to honor the sacrifices of their fellow countrymen to liberate Europe.

#### TEMPORARY EXTENSION OF PROGRAMS UNDER SMALL BUSINESS ACT AND SMALL BUSINESS EXTENSION ACT OF 1958

Mr. FRIST. I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4062, which is at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

A bill (H.R. 4062) to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through June 4, 2004, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. SNOWE. Mr. President, I rise to support passage of H.R. 4062, a bill that provides needed improvements to the Small Business Administration's largest business loan program, the "Section 7(a)" program, at no additional cost to the Government.

The SBA's 7(a) loan program has proven that a small amount of government backing can greatly enhance private-sector financing for small businesses, and that the economic benefits reverberate throughout the economy at large. Small businesses create almost 75 percent of the net new jobs in the economy. The 7(a) program harnesses this power and has helped small businesses to create or retain nearly 2 million more jobs in the last five years.

The program is so popular among small businesses that demand for program funds in the first few months of fiscal year 2004 suggests that requests for the entire year would far out-pace its available budget. As a result, in January 2004, the SBA shut the program down, and then re-opened it with a loan cap of \$750,000—only 37.5 percent of the \$2 million maximum previously available. Faced with these restrictions, small businesses have urged Congress and the administration to improve funding opportunities for the rest of 2004.

Together with my fellow Senators, colleagues in the House, and a large coalition of small businesses and lenders, we have worked for several months to construct a way to improve the program by allowing lenders to help alleviate the funding shortfall. This plan would benefit small businesses and lenders by allowing loans larger than \$750,000, and by allowing "piggyback" loans, or by allowing financing pack-

ages with several portions. And again, we could do this without increasing Government expenditures.

The bill would achieve these goals in three ways. First, lenders would return to the SBA a 0.25 percent, or one-quarter of one percent, fee on new loans under \$150,000. Lenders are currently permitted to retain this amount from a borrower fee, of 1 percent, that lenders already collect and pass on to the SBA. For loans larger than \$150,000, lenders already must pass the entire borrower fee on to the SBA; this change would make the treatment the same for all loan sizes. This proposal was first made by the SBA, as part of a larger plan the SBA submitted to Congress this year.

Second, a lender fee on new loans would be increased from 0.25 percent, one-quarter of one percent, to 0.36 percent. This fee cannot be passed on to small businesses.

Third, lenders would be permitted to provide small businesses with "piggyback" financing packages that include a 7(a) loan portion and a non-7(a), strictly commercial portion, if the lenders paid the normal fees on the 7(a) loan portion and a 0.70 percent fee on the non-7(a) portion. Prior to January 2004, the SBA permitted this type of financing, but without receiving any fee income for the non-7(a) portion, and without an upper limit on the total financing. H.R. 4062 prohibits the non-7(a) portion of the financing from being larger than the 7(a) loan.

The bill also extends to June 4, 2004, the authorization for several SBA programs that would otherwise expire on April 2, 2004, including the Preferred Surety Bond Program, the Small Disadvantaged Business Program, and the SBA's co-sponsorship authority. Finally, the bill extends to September 30, 2004, the authorization for the SBA's Certified Development Company program, also known as the 504 Loan Program.

H.R. 4062 is very similar to legislation which I introduced in the Senate on March 10, S. 2193, the "Small Business Loan Revitalization Act of 2004," which I was joined in sponsoring by 18 fellow Senators. That legislation was the result of months of hard work and negotiations with fellow Senators, colleagues in the House, small businesses, lenders, and the administration. I regret that S. 2193's provisions, such as its lower fees for lenders, and the increased debenture sizes for the 504 Loan Program which I recently added by amendment, are not being enacted today, but I am pleased that, according to the Small Business Administration's projections, H.R. 4062 at least achieves the goal of allowing the 7(a) program to operate without restriction through the remainder of this fiscal year.

ORDERS FOR FRIDAY, APRIL 2,  
2004

Mr. FRIST. I ask unanimous consent when the Senate completes its business