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## House of Representatives

The House met at 10 a.m.

The Reverend Dr. Larry D. Pickens, Senior Pastor, First United Methodist Church, Elgin, Illinois, offered the following prayer:

Gracious and loving God, we enter this day sensing Your awesome presence and capacity. Give these public servants the vision, wisdom, and courage to carry out their legislative and leadership responsibilities.

We pray for the will to create "Beloved Community," where we all become brothers and sisters, working to create a world that is free from violence, hatred, and hopelessness. Grant Your Spirit upon this body, that each person realizes that he or she is an instrument of Your love and compassion.

We celebrate the architects of this Nation's Constitution, and the way in which we are gifted to merge our voices together around the concern for justice, holiness, and equity across the land.

We pray for this Nation and its people. Use each one of us to accomplish the Prophet Micah's challenge to walk, act, and love with humility, justice, and kindness.

This is our prayer. Amen.

### THE JOURNAL

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

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

### PLEDGE OF ALLEGIANCE

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

Mr. SANDLIN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Repub-

lic 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 concurrent resolutions of the House of the following titles:

H. Con. Res. 388. Concurrent resolution authorizing the use of the Capitol Grounds for the National Peace Officers' Memorial Service.

H. Con. Res. 389. Concurrent resolution authorizing the use of the Capitol Grounds for the D.C. Special Olympics Law Enforcement Torch Run.

The message also announced that the Senate has passed concurrent resolutions of the following titles in which the concurrence of the House is requested:

S. Con. Res. 107. Concurrent resolution recognizing the significance of the 30th anniversary of the American Association for the Advancement of Science Congressional Science and Engineering Fellowship Program, and reaffirming the commitment of Congress to support the use of science in governmental decisionmaking through such program.

S. Con. Res. 108. Concurrent resolution supporting the goals and ideals of Tinnitus Awareness Week.

### ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will entertain 10 one-minutes on each side.

### HONORING SISTER JEANNE O'LAUGHLIN

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

Mr. LINCOLN DIAZ-BALART of Florida. Mr. Speaker, I rise today to salute a dear friend who I love and who my entire community loves, Sister Jeanne O'Laughlin, president of Mi-

ami's Barry University. It has been a privilege to be able to work with Sister Jeanne. It has been one of the truly wonderful things I have been able to do in Congress.

You see, Mr. Speaker, Sister Jeanne is so special, it is difficult to choose only a few words to describe her. Talent, imagination, compassion, faith, perseverance, sense of humor, devotion, integrity, charisma, success, all those realities about Sister Jeanne are evident. But the meaning of one word outweighs all others in regard to her, one word describes her best, "love."

Thank you, Jeanne O'Laughlin, for loving your family, your neighbors, your community, for loving us all. Thank you for having put your love into action in your life and with your entire life.

### AN ARROGANT ADMINISTRATION

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

Mr. GEORGE MILLER of California. Mr. Speaker, I see in the morning papers that the Republicans have a problem with Senator KERRY's characterization of this administration as arrogant in its foreign policy.

Arrogance. What do you call it when they ignore their economic advisers that tell them the real cost of the war will be \$200 billion, and not a couple of billion paid for by the Iraqis?

Arrogance. What do you call it when they ignore their military advisers on the number of troops that will be necessary, not only to win the war, but to keep the peace and protect our troops from harm?

Arrogance. What do you call it when they send their troops into combat without the proper equipment to protect those troops, such as bulletproof vests and armored Humvees, and still have not done it today?

☐ 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.



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Arrogance. What do you call it when they ignore the advice of the State Department that we have to have international support for the war and international participation in the keeping of the peace? We had neither.

Arrogance. What do you call it when they rush to war, and the Pentagon says that rush to war prevented us from being able to protect our soldiers in a proper way, and now one out of four casualties is because we were improperly prepared to keep the peace?

Arrogance. That is what you call it.

#### CREATING AND KEEPING JOBS IN AMERICA

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

Mr. TIAHRT. Mr. Speaker, one of the most important domestic issues facing us and our children and grandchildren is America's ability to compete in the world market.

Over the last generation, Congress has passed laws and legislation, perhaps with good intentions, but with disastrous consequences, in the form of regulations and policies. These regulations and policies have made it difficult to stay competitive. We have divided the challenges into eight categories; and for a period of 8 weeks on the floor of the United States House, we will debate and vote on measures to change the system and make America more able to compete globally. Our goal is more high-quality, high-paying jobs. We call it Careers For the 21st Century.

The eight issues are lowering the rising cost of health care; cutting bureaucratic red tape; lifelong learning for a skilled work force; applying fair trade policies; tax relief and simplification for reducing the burden on tax preparation; energy policy that will create 700,000 jobs; research and development initiatives; and ending lawsuit abuse.

Real solutions for real problems, so that American working families can make their dreams come true.

#### GETTING ALL AMERICANS AFFORDABLE HEALTH COVERAGE

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

Mr. LAMPSON. Mr. Speaker, I would like to bring to this body's attention an editorial that was in the Houston Chronicle just a week or so ago by Dr. John Stobo, who is the president of the University of Texas Medical Branch in Galveston, Texas.

Dr. Stobo talks of a 43-year-old emergency room patient with shortness of breath who had already had a doctor's visit where x-rays had been ordered. She could not get the x-rays because she could not afford them, did not have the health insurance, and her employer, a small business owner, did not provide it.

She could not afford a second doctor's visit and is now diagnosed, when she made it to the emergency room, with lung cancer. Since she saw the doctor, the cancer spread aggressively; but if she had had that x-ray 9 months earlier, her prognosis might have been more positive.

It is an absolute moral scandal that Dr. Stobo's patient, along with 43 million hard-working Americans, people with jobs, have no health insurance.

A study by respected analysts Jack Handley and John Holahan estimates that basic health insurance for all uninsured Americans would cost \$69 billion a year if typical of the sort now held by middle- and low-income Americans.

We will consider legislation next week that will change this. Let us get all Americans affordable health insurance.

#### OLD BACKPACK 4 IRAQ PROGRAM

(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, Americans are rightfully confident that the prison abusers are a tiny few of the over 300,000 American troops who have served in the war on terror to protect American families.

A more representative symbol of our troops' efforts is the Old Backpack 4 Iraq Program of the 3-178 Field Artillery Battalion of the South Carolina Army National Guard led by Lt. Col. Mark King currently deployed in Iraq. They are collecting used and new backpacks containing school supplies to be provided to Iraqi children.

The backpacks can be loaded with pencils, pens, notebooks, crayons, rulers, construction paper, a small teddy bear, shampoo, toothpaste, toothbrush, BAND-AIDS, soap, wash cloth, and a towel.

I urge my colleagues to assist in this collection and bring backpacks to the Second Congressional District offices in Washington, West Columbia and Beaufort, along with offices of the Lexington County Chronicle. The first load must be completed by Thursday, May 21, so I can personally take them with me on a delegation to Iraq the next day. We will continue to collect them in the future.

In conclusion, God bless our troops, and we will never forget September 11.

#### ASK QUESTIONS OR STUPID THINGS HAPPEN

(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, Chairman GRASSLEY from the other body said, "We Republicans have never quite reached the level of competent oversight that the Democrats developed. We tried to emphasize legislating and

we have delegated so much authority to the executive branch of government and we ought to devote more time to oversight than we do."

This Congress in the last 43 days has been in session 14 days. What have we done with our time? We have named 11 post offices, recognized the Garden Club of America, recognized the importance of music education, authorized the use of the Capitol grounds for the Soap Box Derby.

What has happened to our troops? 175 have died in the last 43 days, bringing the total in Iraq to 775.

While we name post offices and recognize sports teams, our constituents are asking questions of how we got in a war without an exit strategy, and for what purpose did we miscalculate and how did we miscalculate our entry into that war.

And this week, how are we handling controversies in Iraq? We are going home a day early. President Kennedy once said, "To govern is to choose." We can name post offices, or we can ask questions, and even this Congress might try to do both.

#### JOBS AND TAX RELIEF

(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, last month our economy created 288,000 jobs; 867,000 jobs have been created this year alone. Manufacturing employment is up, weekly jobless claims are at their lowest since October of 2000, our economy is on the rebound, and we have tax relief to thank for that. It is proof that when working families keep more of their own money, it works.

Today, we are going to act to prevent a tax increase. Current law says that the 10 percent tax bracket which was created in the 2001 jobs plan will expire. If that happens, 73 million working people will pay higher taxes next year, with an average tax increase of \$2,400 in the next decade.

Today, we will see who in this House wants to prevent this tax increase. Working families need every penny we can let them keep.

#### SUPPORT BIPARTISAN TOBACCO BUYOUT LEGISLATION

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

Mr. ETHERIDGE. Mr. Speaker, for the past several years, I have worked with a bipartisan coalition of Members to pass critical tobacco buyout legislation on behalf of American tobacco farmers. Unfortunately, the House Republican leadership has opposed us at every turn.

This week, Senator JOHN KERRY announced his support for tobacco buyout legislation. His support stands in stark contrast to comments made last week

by President Bush, who dismissed the crisis facing tobacco farm families by saying the current tobacco system does not need to be changed.

Since 1997, tobacco farmers have seen their income cut by over half. Thousands of farm families have been forced out of business. The entire economic background of rural southeast America has been crippled, yet the President says nothing needs to be changed.

Senator KERRY supports a buyout to revitalize our corner of rural America. A buyout would create tens of thousands of jobs in rural America, which are desperately needed.

Time is running out for our tobacco farmers. I call on the Republican leadership in the House and the Congress to follow Senator KERRY's leadership and pass the bipartisan tobacco buyout and restore hope to tobacco country.

#### REFORMING CIVIL JUSTICE SYSTEM IN REGARD TO MEDICAL LIABILITY

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

Mr. BURGESS. Mr. Speaker, yesterday on the floor of this House, we passed legislation that will once again reform the civil justice system in regards to medical liability. Then the question came up last night during the hours of debate on this House as to how in the world is that going to lower the cost of health insurance for the uninsured.

Well, true enough, lowering the cost of liability insurance will not have a direct effect upon the cost of providing insurance for the uninsured, but certainly removing the embedded cost of the civil justice system and the embedded cost of defensive medicine from the medical justice system will go a great way towards alleviating the crisis in the cost of medical insurance.

It is estimated from a study done in 1996 that \$50 billion a year could be saved in the Medicare program if doctors were not practicing defensive medicine.

The fact of the matter remains, Mr. Speaker, we passed that bill in the House, it is awaiting action on the other side of the Capitol, we have a President right now who will sign that bill, and I think that is an important part for the American people to bear in mind.

#### STOP CALLING THOSE WHO ASK QUESTIONS UNPATRIOTIC

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

Mr. PASCRELL. Mr. Speaker, a quote: "I cannot support a failed foreign policy. History teaches us that it is often easier to make war than peace. This administration is just learning that lesson right now. The President

began this mission with very vague objectives and lots of unanswered questions. There is no timetable, there is no legitimate definition of victory, there is no contingency plan for mission creep, there is no clear funding program, there is no agenda to bolster our overextended military, there is no explanation defining what vital national interests are at stake."

Who said that? Not a Democrat, but the majority leader, the gentleman from Texas (Mr. DELAY), said that on March 28 of 1999.

□ 1015

I say, end calling those people who ask questions unpatriotic. Read your own history. Read your own legacy. This is a disgrace, what you did in 1999, and then you accuse us when we ask a question. Read your own literature.

#### TRIBUTE TO JEREMIAH KIRK JOHNSON

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

Mr. BISHOP of Utah. Today, a special service will be held at the National Peace Officers Memorial to honor those whose devotion resulted in the ultimate expression of Christ-like love: They sacrificed their lives for others.

Mr. Speaker, I rise today to pay special tribute to one who gave his life in the service of others. Jeremiah Kirk Johnson, who died in a tragic traffic accident while on duty for the Emery County Sheriff's Department, exemplifies the life of service which I wish to honor.

A devoted husband and father, he spent every spare moment around his children because of his great love for them. At the time of his death, he had been promoted to deputy sheriff in Emery County, and was instrumental in helping to set up the drug court which had the effect of getting drug offenders off the street. He was a giant of a man, yet gentle.

Jeremiah will be missed a lot. He cannot be replaced, but his example can be honored.

He was a model U.S. citizen. He devoted his life to service of our country, and he will be forever remembered as a hero, a son, a husband, and a father.

#### COVER THE UNINSURED AND SUPPORT KIND SUBSTITUTE

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

Mr. ROSS. Mr. Speaker, as the Congress and the country mark Cover the Uninsured Week, I add my voice to those who are ready to do something meaningful about the problem of the uninsured.

Nearly 80 percent of the uninsured are the working poor, and often work in small businesses. They have jobs and

are trying to do the right thing, but they cannot afford an insurance policy for themselves or for their families.

My colleagues on the other side of the aisle claim that association health plans are the answer, but more than 500 organizations representing millions of people oppose these plans, association health plans, because they know that they will compound the problem by creating an unlevel playing field that will likely lead to cherry-picking, adverse selection, and yes, increased costs for sicker individuals.

I urge my colleagues to support the Kind substitute, which will provide a tax credit to businesses that will pay for 50 percent of the premium for health insurance for their employees.

#### OFFICERS IN CHARGE IN IRAQ FAILED IN THEIR DUTY

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

Mr. SHIMKUS. Mr. Speaker, as a Member of Congress, as a West Point graduate, and as a lieutenant colonel in the Army Reserves, I am saddened by recent revelations at Abu Ghraib Prison. I am sad and disappointed and feel personally attacked by an organization I hold in high esteem.

The Chaplain said today in his prayer that we seek justice, equity, and freedom. In this case, we failed.

A commander is responsible for all his unit does and fails to do. This is a basic creed of the United States Army.

As the criminal proceedings unfold and those involved receive the consequences of their actions, some officers in charge need to stand up and say, I was in command, and I failed.

#### IRAQ IMAGES

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

Mr. McDERMOTT. Mr. Speaker, the ship of state sails without a rudder.

Increasingly, the world sees our presence in Iraq as an occupation, not a liberation. Any talk of democracy has been replaced with images of brute and brutal force.

The President talks about a superb Cabinet Secretary, but America and the world reel in horror and shame over what was done in the name of defending our country.

If only the administration had paid attention. The Red Cross knew, but the administration would not listen. American leadership and credibility have cratered deeper and deeper, yet the administration remains deaf to what happened and the need to act.

The administration heaps praise on one of its own, even as it seeks to silence the images. They sent him to Iraq, I guess, to get him out of town, but the images have stirred the world. As it has for so long, the world looks to

America again today. But today, the world looks with eyes averted, because the images that today define America in no way resemble America.

**HONORING MONSIGNOR JOHN O'DONNELL ON HIS GOLDEN JUBILEE**

(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 Monsignor John O'Donnell of Immaculate Conception Church in Fort Smith, Arkansas. Monsignor O'Donnell is celebrating his Golden Jubilee this year, which marks his 50th year in the priesthood.

Born in Philadelphia in 1928, Monsignor O'Donnell was ordained on May 27, 1954. He is a man who is known for his faith, service, and dedication to his neighbors. It seems that everyone at Immaculate Conception has a story about how Monsignor O'Donnell has touched their lives.

Immaculate Conception is the most diverse Catholic church in Fort Smith. It is the perfect fit for Monsignor O'Donnell, who constantly highlights and celebrates the diversity of the parish.

Mr. Speaker, Monsignor O'Donnell has influenced the lives of countless Arkansans. I thank Monsignor O'Donnell for his 50 years of service and being an inspiration to all of us.

**WORKING TOGETHER ON TOP PRIORITIES FOR AMERICA**

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, this morning we can refer to two pictures on the front of the Washington Post that show: the perplexity of General Taguba who tried to tell the truth, and the collapse of young Nick Berg's father when he heard of the tragedy that occurred. All of this falls at the feet of our administration, regardless of one taking a trip or not.

We need a full investigation which will include the Committee on the Judiciary, and we need it now. The American people and their values are owed this responsibility.

Let me change for a moment, Mr. Speaker, and talk about H.R. 4107, involving our firefighters, and say that this is a good first start, this bill, but we must make sure that the fire grant stays at the U.S. Fire Administration, and we must also recognize that firefighters have the rights of meeting and conferring and collective bargaining, and that should not diminish their service to the community. We welcome the volunteer fire agencies, but we also recognize that fire departments should control the work and the hours of their fire personnel so that all might be safe.

Let us work together to make H.R. 4107 a better bill, and let us have inves-

tigations so that the American people can have the answers on Iraq.

**IN HONOR OF DAN PARKER**

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

Mr. BROWN of South Carolina. Mr. Speaker, last Friday, a constituent of mine, Mr. Daniel Parker, was struck down during his service in Iraq.

Mr. Parker, a dedicated Halliburton employee and retired teacher at a Border Patrol Academy in Charleston, was en route to Baghdad International Airport in a military convoy when an improvised explosive detonated near his vehicle.

Dan, a veteran of two tours in Vietnam, selflessly braved the perilous environment of a war zone and helped establish a peaceful and productive democracy in the Middle East. Civilian workers like Dan are the unsung heroes in pursuit of stability in Iraq.

With the deaths this past week of Dan and other civilians, we have been tragically exposed to the deadly hazards that these courageous American employees encounter during their daily work abroad.

Working alongside coalition troops and the Iraqi people, civilian contractors work tirelessly to improve the quality of life of strangers by helping to provide the simple resources that we in America most often take for granted: electric power, clean water, and public schools.

Dan Parker was an innocent victim of the treacherous conditions that Americans continue to endure in Iraq. His sacrifice and the sacrifice of others like him will not soon be forgotten.

My thoughts and prayers are with Dan and his family.

**FAILURE OF CONGRESSIONAL OVERSIGHT**

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

Mr. BLUMENAUER. Mr. Speaker, I am pleased that in 5 minutes, the House Committee on International Relations is going to have a hearing about the post-Iraq situation. Since there are only 48 days left until the transfer of power, it is about time. Sadly, it is about 2 years late. It is an example of the sorry declining of congressional oversight and leadership of what was supposed to be a co-equal branch of government. The abuse of Iraqis never convicted of anything is just the latest example of that failure.

While some would claim that asking hard questions is an example of lack of support for our troops, the real lack of support for our troops is not giving them adequate water, and food, proper equipment, to say nothing of the relief of adequate support for troops on the ground and relief to rotate them home.

To the shame of this congressional leadership, we have failed to do our job as congressional watchdogs and policy-makers. It has created problems for our troops in Iraq, it has created problems for the Iraqi people, and for the American public.

**SINS OF A FEW MUST NOT TARNISH GOOD WORK OF MANY**

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

Mr. STEARNS. Mr. Speaker, I rise today for two reasons. One, of course, is to acknowledge the misconduct of a few American soldiers in the Iraqi prison, conduct we all abhor. Unfortunately, war is an ugly thing, and there will always be egregious behavior under the expediency of war.

But, Mr. Speaker, my other purpose is to implore that we do not forget the nobility and heroism with which our soldiers serve this country. Millions and millions of Iraqis have been liberated from a murdering, raping dictator, thanks to American soldiers. We cannot let the sins of a few tarnish the good work of the many.

Despite the current negative attention, we will not lose faith in the rightness of our purpose or the ability of our troops to be victorious.

**CONGRESS SHOULD PASS 5 MEANINGFUL INITIATIVES FOR AMERICA**

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

Mr. OWENS. Mr. Speaker, working families continue to suffer under the oppressive policies of the Republican-controlled White House and Congress. With a new low in cynicism, Republicans have made a mockery of the suffering of the jobless.

The Republican unit of dirty tricks, deceitful slogans, and tricky titles has launched a new HOW initiative; Hire Our Workers, they call it. But Republicans refuse to support any of the actions that will relieve the suffering of working families.

Instead of bombarding the Nation with new rope-a-dope slogans, Republicans should just do the right thing and support five basic actions: extend Federal unemployment benefits; end the current tax incentives for shipping jobs overseas; raise the minimum wage from \$5.15 an hour to at least \$7 an hour; enact a robust highway bill to create 1.8 million good-paying jobs; and invest more resources in key education and job training programs.

Stop swindling the poor with words. Pass these five initiatives without further delay.

**HONORING SISTER JEANNE O'LAUGHLIN**

(Mr. SHAW asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. SHAW. Mr. Speaker, today I rise to honor one of south Florida's most beloved treasures and one of our Nation's most outspoken advocates on behalf of higher education, Sister Jeanne O'Laughlin, retiring President of Barry University.

When Sister Jeanne became President in 1981, Barry University was a struggling college of 2,000 students. Since then, she has raised over \$170 million and has transformed Barry into a thriving university, serving more than 8,500 students.

But for the record, Sister Jeanne impacted much on my life and I want to recognize it here today.

Mr. Speaker, Sister Jeanne and I are both lung cancer survivors.

Having gone through diagnosis and treatment before me, sister Jeanne's model of resolve and optimism has brought me through some of my darkest days. Today I thank Sister Jeanne O'Laughlin for her many gifts to south Florida over the years and for her personal gift to me at my time of crisis.

Mr. Speaker, we look forward to many wonderful things to come from Sister Jeanne as she moves to the next phase of her unending quest to make the world a smarter and more loving place for all of us.

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EXPRESSING SENSE OF CONGRESS THAT ALL AMERICANS OBSERVE THE 50TH ANNIVERSARY OF BROWN V. BOARD OF EDUCATION WITH A COMMITMENT TO CONTINUING AND BUILDING ON THE LEGACY OF BROWN

Mr. SENSENBRENNER. Mr. Speaker, pursuant to the previous order of the House, I call up the concurrent resolution (H. Con. Res. 414) expressing the sense of the Congress that, as Congress recognizes the 50th anniversary of the Brown v. Board of Education decision, all Americans are encouraged to observe this anniversary with a commitment to continuing and building on the legacy of Brown, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The text of H. Con. Res. 414 is as follows:

H. CON. RES. 414

Whereas on May 17, 1954, the United States Supreme Court announced in Brown v. Board of Education (347 U.S. 483) that, "in the field of education, the doctrine of 'separate but equal' has no place";

Whereas the Brown decision overturned the precedent set in 1896 in Plessy v. Ferguson (163 U.S. 537), which had declared "separate but equal facilities" constitutional and allowed the continued segregation of public schools in the United States on the basis of race;

Whereas the Brown decision recognized as a matter of law that the segregation of public schools deprived students of the equal protection of the laws under the Fourteenth Amendment to the Constitution of the United States;

Whereas the Brown decision stood as a victory for plaintiff Linda Brown, an African American third grader who had been denied admission to an all white public school in Topeka, Kansas;

Whereas the Brown decision stood as a victory for those plaintiffs similarly situated to Linda Brown in the cases that were consolidated with Brown, which included Briggs v. Elliot (103 F. Supp. 920), Davis v. County School Board (103 F. Supp. 337), and Gephardt v. Belton (91 A.2d 137);

Whereas the Brown decision stood as a victory for those that had successfully dismantled school segregation years before Brown through legal challenges such as Westminster School District v. Mendez (161 F.2d 774), which ended segregation in schools in Orange County, California;

Whereas the Brown decision stands among all civil rights cases as a symbol of the Federal Government's commitment to fulfill the promise of equality;

Whereas the Brown decision helped lead to the repeal of "Jim Crow" laws and the elimination of many of the severe restrictions placed on the freedom of African Americans;

Whereas the Brown decision helped lead to the enactment of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, religion, or national origin in workplaces and public establishments that have a connection to interstate commerce or are supported by the State;

Whereas the Brown decision helped lead to the enactment of the Voting Rights Act of 1965 which promotes every American's right to participate in the political process;

Whereas the Brown decision helped lead to the enactment of the Fair Housing Act of 1968 that prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-relating transactions, on the basis of race, color, national origin, religion, sex, familial status, or disability; and

Whereas in 2004, the year marking the 50th anniversary of the Brown decision, inequalities evidenced at the time of such decision have not been completely eradicated: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring), That the Congress—*

(1) recognizes and celebrates the 50th anniversary of the Brown v. Board of Education decision;

(2) encourages all Americans to recognize and celebrate the 50th anniversary of the Brown v. Board of Education decision; and

(3) renews its commitment to continuing and building on the legacy of Brown with a pledge to acknowledge and address the modern day disparities that remain.

The SPEAKER pro tempore (Mr. OSE). The gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Michigan (Mr. CONYERS) each will control 15 minutes.

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

□ 1030

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on House Concurrent Resolution 414, currently under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in support today of House Concurrent Resolution 414, which recognizes the 50th anniversary of the U.S. Supreme Court's decision in Brown v. Board of Education and calls on Americans to observe this anniversary with a commitment to continuing and building on the legacy of Brown.

In 1896, the Supreme Court decided Plessy v. Ferguson, which held that separate but equal public facilities were lawful. This decision paved the way for the systematic segregation of America based on race. In the wake of that decision, State legislatures felt vindicated passing a number of laws, including the infamous Jim Crow laws, which ensured that the right to equal protection of the laws was a right in name only for African Americans and other minorities.

Many fought for years to try and reverse this pattern of discrimination. Some met with limited success, such as Gonzalo and Felicitas Mendez, who in 1947 prevailed in their efforts to allow students of Mexican ancestry to attend the same California public elementary schools as attended by white children, but it was not until Oliver Brown and his brave fellow plaintiffs from Kansas, Virginia, South Carolina, and Delaware successfully challenged the school segregation policies in those States that this pattern of inequality began to change for all persons.

As Chief Justice Earl Warren, who had recently been appointed to the Supreme Court by President Eisenhower, stated for a unanimous majority, "We conclude that in the field of public education the doctrine of 'separate but equal' has no place."

In the 50 years since the Brown decision, much has changed in this country. Brown provided the spark for the Eisenhower administration to push through the 1957 and 1960 Civil Rights Acts. These acts, in turn, provided the blueprint for the passage of the Civil Rights Act of 1964, the Voting Rights Act of 1965, and the Fair Housing Act of 1968.

All of these acts served to further dismantle the barriers to equality that African Americans and other members of minority groups had faced in the decades after Plessy. It is for this reason that Congress, and indeed, all Americans, should celebrate the anniversary of Brown and take this opportunity to reflect anew on the importance of equality in society.

I would like to commend the gentleman from Michigan (Ranking Member CONYERS) for introducing this resolution and would also like to thank the gentleman from New Jersey (Mr. PAYNE), the gentleman from Kansas (Mr. RYUN), the gentlewoman from California (Ms. LORETTA SANCHEZ), and the gentleman from California (Mr. COX) for their own resolution which helped inform the measure we have before us today. I am pleased to note that most of the leadership of both parties have signed on as cosponsors of this resolution, and I urge all my colleagues to join me in supporting it.

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

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

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

Mr. CONYERS. Mr. Speaker, this is indeed a historic moment in the history of this country and in the Congress as well.

I begin by really lifting up the name of the chairman of the Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), who, with me, was able to get a unanimous resolution on this matter celebrating *Brown v. the Board* from the Committee on the Judiciary. I sincerely thank him.

I have two colleagues that I want to mention because they had resolutions that we worked into ours, and we came up with one. The first was the gentleman from California (Ms. LORETTA SANCHEZ), who brought to our committee's attention that in California they had worked out, in effect, a *Brown v. Board*-type solution even before the *Brown* decision, and we will hear from her later on this matter.

The other person was the gentleman from New Jersey (Mr. PAYNE), who is on the floor now, who had an important resolution as a ranking member of the Committee on Education and the Workforce. His interests on this were very large, and we were able to all work these regulations out.

What is the significance of *Brown*? It reversed an 1896 decision, *Plessy v. Ferguson*, which indicated that under the 14th amendment separate and equal was acceptable. Of course, there is very little in real-time that separate can be equal, but that was the law up until 1954 when a unanimous Supreme Court decision changed it.

But the *Brown* decision went further. It was a decision about education; but thanks to the civil rights movement, Dr. King, Rosa Parks and even our own gentleman from Georgia (Mr. LEWIS) in the Congress, it was expanded to cover all forms of social life in the country.

Finally, this resolution seeks to renew our commitment. Everything is not okay, as our colleagues all know and as this resolution which we are to support makes clear. So I am very happy to be with all of my colleagues today.

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

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. RYUN), who represents Topeka, Kansas, that led the way to get the *Brown* decision decided by the Supreme Court.

Mr. RYUN of Kansas. Mr. Speaker, I thank the gentleman for the time.

Mr. Speaker, I rise to honor the 50th anniversary of the Supreme Court decision of *Brown v. Board of Education*, the landmark case that desegregated schools in America. This Monday, May

17, 2004, I will be pleased to welcome people from across this Nation to my district for a celebration of this anniversary.

On Monday, we will look back over 50 years of work to bring equality to America, specifically to our public education system.

May 17 will also mark the culmination of an effort I began 3 years ago to honor the 50th anniversary of *Brown v. the Board*. In the 107th Congress, I was privileged to author legislation to establish a Federal commission tasked with educating the public about this decision. With the help of my colleagues in Congress, the commission became a reality and has played a vital role in planning for next week's anniversary.

Recently, I was also pleased to draft language calling on Congress to honor the anniversary of *Brown v. Board*. I am grateful that the resolution we consider today accomplishes this goal, and I am pleased to lend it my support.

I would like to thank the *Brown* Foundation, located in Topeka, Kansas, for its leadership in helping America remember its struggle for equality. I want to specifically thank Cheryl *Brown* Henderson for her undying dedication to this issue. Cheryl's assistance has been invaluable, and I am grateful for her contributions.

President Bush's presence in Topeka on Monday will lend national significance to this occasion and also indicates his ongoing commitment to the ideals embodied in *Brown v. Board*. I am grateful for the President's support, and I look forward to welcoming him to Kansas.

Finally, I encourage all Americans to take this opportunity to rededicate themselves to the ideals set forth in our Constitution that all men are created equal; that they are endowed by our Creator with certain unalienable rights; that among these are life, liberty and the pursuit of happiness.

Mr. Speaker, I thank my colleague for the opportunity to highlight this monumental anniversary on the floor. I thank the chairman for his work, and I urge my colleagues to lend their support to this measure.

The SPEAKER pro tempore. Does the gentleman from New Jersey (Mr. PAYNE) seek to control the time?

Mr. PAYNE. Yes, I do, Mr. Speaker.

The SPEAKER pro tempore. Without objection, the gentleman from New Jersey will control the time.

There was no objection.

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

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

Mr. PAYNE. Mr. Speaker, let me commend the gentleman from Wisconsin (Mr. SENSENBRENNER) for bringing this resolution and certainly the gentleman from Michigan (Ranking Member CONYERS), who is a living history of what is great about this country with his own history in the House

of Representatives, being the second-longest-serving Member here.

Mr. Speaker, I rise today to express my strong support for H. Con. Res. 414, a resolution which urges Congress to renew its commitment to continuing and building on the legacy of *Brown v. the Board of Education*.

This month marks the 50th anniversary of the landmark *Brown v. the Board of Education* decision, declaring segregation of public schools unconstitutional. The chain of events began in Topeka, Kansas, where an African American third grader by the name of Linda *Brown* had to walk 1 mile through a railroad switchyard to get to her segregated elementary school, even though a white school was only seven blocks away.

Linda's father, Oliver *Brown*, tried to enroll her in the white elementary school, but the principal refused to admit her. Mr. *Brown*, along with other parents, went to the Topeka NAACP, filing a request for an injunction that would forbid the segregation of Topeka's public schools. In the initial trial, the court sided with the Board of Education saying that the precedent of *Plessy v. Ferguson*, passed in 1896, allowed separate but equal school systems.

Led by Thurgood Marshall, who later, of course, became the first African American to serve on the United States Supreme Court, the case was brought before the Nation's highest Court. At first, in 1952, the Supreme Court sent the case back to a lower court. The case came back to the High Court in 1953 and was heard along with others from South Carolina, Virginia, Delaware, and the District of Columbia.

Interestingly, in September of 1953, with the courts seemingly split, and the cases sent back down, the cases were in jeopardy; but what happened was that Chief Justice Fred Vinson died in his sleep. President Eisenhower, therefore, nominated a new Supreme Court Justice, the Republican Governor of California, Earl Warren. It was under Earl Warren's leadership that he brought the Court together; and he persuaded the Court, after the persuasive arguments of *Brown v. the Board of Education*, to have a unanimous decision. He wanted no dissent, and a unanimous decision was given by the Supreme Court under the leadership of Earl Warren. It surprised many Americans, but he lived up to that great title.

So separate but equal was thrown out, and Thurgood Marshall's argument that the 14th amendment equal protection clause precluded States from imposing distinctions based on race had prevailed.

So I conclude, I believe that *Brown v. the Board of Education* was one of the

most significant cases regarding segregation. The Brown case provided momentum for increased civil rights advocacy and legislation, opening equal opportunity to education to all in our society and then to other public accommodations.

However, we should remember that Brown was neither the beginning nor the end of the struggle for justice and equality. Today, equal education opportunities for all children are still a dream for many. In both the North and South, segregation has been thrown into reverse gear with 70 percent of the Nation's African American students in predominantly minority schools, and so I urge my colleagues to support H. Con. Res. 414, which commemorates the historic Brown v. the Board of Education decision and encourage Congress to continue to build on the legacy of Brown.

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

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentleman for the time.

Let me congratulate the gentleman from Michigan (Mr. CONYERS), the ranking member, and the chairman of the full Committee on the Judiciary for this joining together of a unanimous consent order to bring this historic civil rights resolution to the floor of the House. This is historic; and allow me to thank the gentleman from New Jersey (Mr. PAYNE) for not only his knowledge but also the work he has done on the Committee on Education and the Workforce in trying to implement the Brown decision; and my good friend and colleague the gentlewoman from California (Ms. LORETTA SANCHEZ) for working and informing us and adding to the history of the Brown decision as it relates to California and our many friends around the Nation.

I am proud to be an original cosponsor, and I stand to acknowledge that Brown did open the door. As was stated in *Grotter v. Bollinger*: "We have repeatedly acknowledged the overriding importance of preparing students for work and citizenship, describing education as pivotal to 'sustaining our political and cultural heritage' with a fundamental role in maintaining the fabric of society."

Why the case was so important is because the Court in Brown said this Court has long recognized that education is the very foundation of good citizenship and, might I say, opportunity.

So, as the *Grotter* case concluded, we still recognize even with Brown that in this Nation race unfortunately still matters.

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And so it is imperative that all of the Nation on May 17, 2004, lift up the song of Brown v. Board of Education to be

able to announce, if you will, the vitality of that case and yet where we have to go.

It is important to note that after Brown, there is still work. Even with the Civil Rights Acts of 1964 and 1965, we must in fact follow through on getting rid of the alternative schools, poor test scores in the minority community, and poor physical conditions of those schools.

As Dr. Martin Luther King said, "There are at least three basic reasons why segregation is evil. The first reason is that segregation inevitably makes for inequality. There was a time that we attempted to live with segregation. There was always a strict enforcement of the separate, without the slightest intention to abide by the equal."

But even so, we must promote equality. I thank Dr. Martin Luther King and for all those who worked so hard, and I give thanks to the decision rendered in Brown v. Board of Education.

Mr. Speaker, let me begin to honor a great decision out of the highest Court in the land with an excerpt from its progeny, the 2003 decision of *Grotter v. Bollinger*:

We have repeatedly acknowledged the overriding importance of preparing students for work and citizenship, describing education as pivotal to "sustaining our political and cultural heritage" with a fundamental role in maintaining the fabric of society. *Plyler v. Doe*, 457 U.S. 202, 221 (1982). This Court has long recognized that "education . . . is the very foundation of good citizenship." *Brown v. Board of Education*, 347 U.S. 483, 493 (1954). For this reason, the diffusion of knowledge and opportunity through public institutions of higher education must be accessible to all individuals regardless of race or ethnicity. Effective participation by members of all racial and ethnic groups in the civic life of our Nation is essential if the dream of one Nation, indivisible, is to be realized. . . . diminishing the force of such stereotypes is both a crucial part of the Law School's mission, and one that it cannot accomplish with only token numbers of minority students. Just as growing up in a particular region or having particular professional experiences is likely to affect an individual's views, so too is one's own, unique experience of being a racial minority in a society, like our own, *in which race unfortunately still matters.* (emphasis added)

It is with great pride and hope that I rise in support of H. Con. Res. 414 to recognize the 50th anniversary of a historic piece of jurisprudence in the name of education, civil rights, human rights, democracy, and diversity. Yesterday, in a markup of the Full Committee on the Judiciary, we voted 27 yeas and 0 nays—unanimously to report this resolution out favorably and to move to conference, and I would expect to see the same kind of alliance at the full House scale, the Senate scale, the joint conferee scale, and on a worldwide scale to pay tribute to the spirit of a decision that changed the structure and focus of U.S. education and began the process of meeting the challenges and opportunities of equal opportunity and a quality education for all students.

I joined the distinguished Ranking Member from Michigan as an original co-sponsor of this important resolution celebrating the 50th anniversary of some of the most profound and meaningful jurisprudence in the history of the

United States. On May 17, 1954, *Brown v. Board of Education of Topeka Kansas* reversed *Plessy v. Ferguson*, which established the "separate but equal" doctrine that stamped African Americans with a badge of inferiority as articulated by Judge John Marshall Harlan, the lone dissenter in that case.

With the Brown decision, the meaning of "equal protection of the laws" took on real meaning for African Americans and other minorities. It fueled the momentum of the Civil Rights Movement that spurred America's realization of change.

I take a special interest in supporting Brown and its progeny both in the courtroom and out on the battlefields of society. We should all recall the recent threat to affirmative action that was defeated in *Gutter v. Bollinger*. It is shameful that almost a century from the great decision, the principles of equality were again challenged by way of college admissions criteria. It is shameful that the Board of Regents at Texas A&M University chose to abandon the jurisprudence of Brown and *Bollinger* and refused to utilize affirmative action to repair its significantly disparate racial student body ratio—this fall, it was 82% white, 2% black, 9% Hispanic, and 3% Asian-American.

At Prairie View A&M University, a District Attorney challenges students' right to vote in a local primary election based on domicile. Ultimately, the student body, Waller County activists, elected officials, educators, spiritual leaders, and many other supporters were successful in bringing about a settlement offered by the challengers. Nevertheless, from that experience, we learned that this Nation is still a long way from where it should be in terms of providing equal opportunity and access to education, voting rights, and civil rights.

The sentiment and mentality that threaten to erode our progress are not always as clear as at Prairie View or in a blatantly anti-affirmative action admissions policy. Socioeconomic status plays a role in rendering meaningless the promise of Brown v. Board of Education. When children are poor, expectations are lower. Unfortunately, if your mother or father works in the sweatshops in East Harlem or picks broccoli in Northern California, you are likely receiving a sub-standard and slower-paced education. Teachers have a duty to show these children that their neighborhoods do not define who they are and what their futures hold.

On the third anniversary, Dr. Martin Luther King, Jr. made one of his first important addresses to discuss the implications of the Supreme Court's decision in Brown. He referred to that decision as "simple, eloquent and unequivocal" and a "joyous daybreak to end the long night of enforced segregation." At that address, Dr. King said the following profound words:

There are at least three basic reasons by segregation is evil. The first reason is that segregation inevitably makes for inequality. There was a time that we attempted to live with segregation. . . . there was always a strict enforcement of the separate without the slightest intention to abide by the equal. . . .

But even if it had been possible to provide the Negro with equal facilities in terms of external construction and quantitative distribution we would have still confronted inequality . . . in the sense that they would not have had the opportunity of communicating with all children. You see, equality

is not only a matter of mathematics and geometry, but it's a matter of psychology. . . . The doctrine of separate but equal can never be. . . .

But not only that, segregation is evil because it scars the soul of both the segregated and the segregator. . . . It gives the segregated a false sense of inferiority and it gives the segregator a false sense of superiority. . . . It does something to the soul. . . .

Then there is a third reason why segregation is evil. That is because it ends up depersonalizing the segregated. . . . The segregated becomes merely a thing to be used, not a person to be respected. He is merely a depersonalized cog in a vast economic machine. And this is why segregation is utterly evil and utterly un-Christian. It substitutes an "I/It" relationship for the "I/Thou" relationship.

We should be moving ahead instead of backward. Mr. Speaker, as Dr. King said of the great decision that we now honor, I challenge this nation to also be unequivocal about committing to equality. I support the Ranking Member's resolution and encourage the Members of this Committee to do the same.

Mr. PAYNE. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I commend the gentleman from Michigan (Mr. CONYERS) and the chairman, the gentleman from Wisconsin (Mr. SENSENBRENNER) for bringing to the floor this important resolution recognizing and celebrating the 50th anniversary of *Brown v. Board of Education*, and I am pleased to be an original cosponsor of this resolution.

Mr. Speaker, it is important to note that this resolution calls upon Congress to do more than just noting the historical significance of the 50th anniversary of the *Brown* decision. It asks Congress to renew its commitment to continue building on the legacy of *Brown* with a pledge to acknowledge and address the modern-day disparities that perpetuate a separate but unequal society.

Yet while we celebrate the *Brown* I decision, we must candidly discuss the many challenges that remain in the quest to achieve equal opportunity for all Americans. Professor Charles Ogletree of the Harvard Law School has written a very powerful book on the legacy of the *Brown* decision, entitled "All Deliberate Speeds: Reflections on the First Half-Century of *Brown v. Board of Education*." Professor Ogletree reminds us the second *Brown* case, decided on December 31, 1955, was every bit as important as the first *Brown* case, which was decided on May 17, 1954.

While the first case contains the powerful language that we all know, declaring that separate but equal educational facilities were inherently unequal and no longer had a place in American society, in the *Brown II* decision the Court called for school desegregation to proceed, and I quote, "with all deliberate speed." Mr. Speaker, deliberate means slow, and, unfortunately, while we surely are making progress, the last 50 years of history demonstrates that our progress toward

a color-blind, racially equal society has been slow indeed.

Mr. Speaker, let me briefly quote Professor Ogletree's powerful words. He said, and I quote, "Brown v. Board of Education was important because it ended legal segregation. However, the Court's decision, though unanimous, contained a critical compromise which undermined the broad purposes of the campaign to end racial segregation immediately and comprehensively."

Mr. PAYNE. Mr. Speaker, I yield 2 minutes to the gentlewoman from California (Ms. LORETTA SANCHEZ).

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I thank the gentleman from Wisconsin for introducing this resolution, and, in particular, I want to thank my friend, the gentleman from Michigan (Mr. CONYERS) for including in this important bill a reference to *Mendez v. Westminster*.

I rise today in support of this resolution recognizing the importance of *Brown v. Board of Education*. But *Brown v. Board of Education* was actually built on a few important cases, one of which is the *Mendez v. Westminster*, which happened, if you can believe this, in Orange County, California.

In 1945, Felicitas Mendez took her child, Silvia, and her niece and her nephew down the block to the local school to enroll them. The niece and the nephew were lighter skinned; they could go to that school. She was told that her own daughter, who was darker skinned, would have to go across town to the Mexican school. Felicitas Mendez was a Puerto Rican.

The Mexican school took the Asians and the blacks and all the other dark-skinned people, like Mexicans and Puerto Ricans. Well, Gonzalo and Felicitas Mendez decided to fight that, and they filed a lawsuit, along with four other families, against Westminster, Anaheim, Santa Ana, and El Modena districts, seeking an injunction against all schools in Orange County.

On February 18, 1946, *Mendez v. Westminster* was decided in favor of the Mendez family, and on April 14, 1947, the Ninth Circuit Court of Appeals ruled in favor of the Mendez family's case. It was the first case in Federal Court of the doctrine of separate but equal, naming it unconstitutional. California Governor Earl Warren signed desegregation of California, 8 years ahead of the rest of the Nation.

Of course, 8 years later Thurgood Marshall would use that case as he argued *Brown v. Board of Education*, and Warren sat on that Supreme Court. The bravery and the dedication of Gonzalo and Felicitas Mendez opened the doors for better education to all children in the United States, and I thank this Congress for acknowledging how important *Brown v. Board of Education* is.

Mr. PAYNE. Mr. Speaker, I yield 3 minutes to the gentlewoman from the District of Columbia (Ms. NORTON).

The SPEAKER pro tempore (Mr. OSE). The gentleman from New Jersey has 2 minutes remaining.

Mr. SENSENBRENNER. Mr. Speaker, I yield 1 minute to the gentlewoman from the District of Columbia (Ms. NORTON).

The SPEAKER pro tempore. The gentleman from New Jersey yields 2 minutes and the gentleman from Wisconsin yields 1 minute.

The gentlewoman from the District of Columbia is recognized for 3 minutes.

Ms. NORTON. Mr. Speaker, I thank the chairman of the full committee for his generosity, and I thank him for his leadership, and I thank the ranking member, the gentleman from Michigan (Mr. CONYERS) as well for his leadership on this important issue. I also thank the gentleman from New Jersey (Mr. PAYNE) for his leadership on education issues in our Congress.

I think it is fair to say that the *Brown* decision is the most important court decision in American history. The decision saved our country from catastrophic racial division that could have come to race war rather than to a nonviolent revolution led by Dr. Martin Luther King that began with the peaceful overthrow of legal discrimination with *Brown v. Board of Education*.

Most shamefully, our country tolerated segregated schools here in the Nation's Capital as well. I attended those segregated schools. We pay tribute and I offer my personal thanks to the plaintiffs in *Bolden v. Sharp*, the decision which was one of the cases that went to the Supreme Court grouped together under *Brown v. Board of Education*.

But, Mr. Speaker, *Brown* is much larger than school desegregation, as large a mission as that decision took on. After *Brown*, public funding of segregated policies or programs became constitutionally untenable. *Brown* did more than we had the right to expect from any one court decision, but *Brown* could not prevent resegregation through white flight, or discriminatory housing. *Brown* could not fund our Nation's schools. And *Brown* cannot raise test scores of children.

On this 50th anniversary, let us remember that *Brown* did its job, and it left the Congress and the American people with work still to do.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, if one looks back at the history of the consideration of civil rights bills in the Congress, the Civil Rights Act of 1957, the Civil Rights Act of 1960, the Civil Rights Act of 1964, the Voting Rights Act 1 year later, and the Fair Housing Act of 1968, these were all passed due to bipartisan support on the floor of the House and the Senate and bipartisan cooperation with whichever administration was in office at the time, the Eisenhower administration, the Kennedy administration, or the Johnson administration.

This resolution is in the spirit of bipartisanship because there is no difference between Republicans and

Democrats, historically, as well as today, in their commitment to equal rights for all Americans.

The Constitution is color-blind. We should not discriminate based upon race, creed, color, national origin, gender or disability, and those are the types of protections that this Congress, through bipartisan effort, was able to enact into law, but more importantly to get the American public, even those who held out almost to the bitter end, to support today.

And that is why America is so much different than countries in the rest of the world, because we faced up to our discriminatory history, and we were able to overcome that first legally, but the hearts of America followed the law in this case.

Yes, there is more work to do. Nobody argues that point. But the framework that provided the tremendous progress that has been made in the last 50 years since the landmark decision of *Brown v. Board of Education* has been because people of differing political ideologies and people of differing political party affiliations have gotten together.

We can make that progress in the next 50 years, like we did in the last, if that type of bipartisan cooperation continues. This is a bipartisan resolution, and I am happy, on behalf of the majority party on the Committee on the Judiciary, to bring this resolution to the floor, a resolution that has been offered by our ranking minority party member. It is a good resolution, and it ought to be approved unanimously.

Mrs. JONES of Ohio. Mr. Speaker, I rise today to celebrate the upcoming 50th anniversary of *Brown v. Board of Education*. It was 50 years ago that the Supreme Court unanimously decreed segregated public schools unconstitutional. The effects of that decision live on in myriad ways, and yet, in much of America, equality and integration remain ideals rather than realities.

In 1954 the U.S. Supreme Court stated that separate is inherently unequal. The Court concluded, "that in the field of public education, the doctrine of 'separate but equal' has no place. Separate educational facilities are inherently unequal." The Court found that the evils of racial segregation affected students' motivation and retarded educational and mental development.

Education is a right, not a privilege. The Court wrote: ". . . it is doubtful that any child may reasonably be expected to succeed in life if he (or she) is denied the opportunity of an education. Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms."

In the 11th Congressional District of Ohio, Barbara Byrd-Bennett, CEO of the Cleveland Municipal School District continues this legacy *Brown v. Board of Education*, championing the rights of our young people and working to ensure that they are afforded the best education possible. Six years ago, in 1998, the Cleveland Municipal School District ranked last among Ohio school systems, and was placed in academic emergency status. Under the direction of Ms. Byrd-Bennett the Cleveland Mu-

nicipal School District now stands as one of Ohio's "most improved school districts."

Under Ms. Byrd-Bennett's leadership academic successes are clear:

Reading scores have increased by more than 30 percent;

Children have breakfast and lunch at school at no cost, and over 93 percent are immunized;

Graduation rates have increased by 10 percent and 74 percent of last year's graduates went on to college;

Suspensions are down nearly 45 percent, expulsions are down 9 percent and assaults on students are down 13 percent;

Fourth and 6th grade reading results were up 19 percent and 28 percent, respectively, in 1 academic year; and

Only 22 percent of 4th grade students passed the State reading test in 1998 compared to 59 percent passed, in 2003, an increase of 37 percent from 5 years ago. Reading performance at the 6th grade has improved by 32 percent.

I believe that education is the key to success. I am working on behalf of all the constituents of the 11th Congressional District in Ohio to make sure that public education remains the number one issue in America. I want for those who have a desire to go to college to be prepared and equipped with the tools necessary for success.

While highlighting successes and recognizing achievements, we must also focus on current realities to further aid us in shaping national education priorities. According to the National Education Association:

Poor and minority children risk doing poorly in school. Contributing factors include: rigorous curriculum, teacher preparation/experience/attendance, class size, technology-assisted instruction, school safety, parent participation, student mobility, birth weight, lead poisoning, and nutrition;

In 1994, 31 percent of black, 24 percent of Hispanic, and 35 percent of American Indian high school graduates took remedial courses, compared to 15 percent of whites and Asians;

Few minorities have access to or are enrolled in Advanced Placement courses,

Student achievement gap still wide; and

Only 5 percent of African American 4th grade students and 4 percent of 8th grade students met national proficiency standards in 1996.

In addition, under the Bush budget \$9.4 billion less for education than was promised in the No Child Left Behind Act; this means that 2.4 million children will not get the help with reading and math they were promised. Under the Bush budget 56,000 teachers won't get trained and 1.3 million children won't get the after school programs they were promised.

According to the National Education Association, the budget eliminates funds for 38 programs, including dropout prevention and gifted and talented education, and once again fails to increase Pell Grants for our Nation's poorest college students. Yet, incredibly, the President wants \$50 million for a national experiment with school vouchers, which take away much needed resources from public schools, and trillions more in tax cuts continue to flow to the wealthy.

According to Barbara Bowman, professor of early childhood education at the Erikson Institute, "We're still quite a long way from a concerted national effort. What *Brown* did was

make for a concerted national effort, but it required people to change. We haven't gotten that kind of centering of interest right now."

America's public schools are dealing with a level of linguistic and cultural diversity unknown 50 years ago, when the Supreme Court outlawed school segregation in its *Brown v. Board of Education* decision of May 17, 1954.

Today, public schools struggling to fulfill the spirit of the *Brown* decision, equal access to educational opportunity for all now we have a task made more complex and difficult by an ever-growing number of students who aren't even native English speakers.

In this information-based economy, the stakes are increasingly high for those who don't get the education they need—potentially hundreds of thousands of dollars in earning power over the course of a lifetime, middle class vs. minimum wage.

According to the National Center for Education Statistics, more than 3.7 million public school students were offered English language learner services in the 2001–2002 academic year.

Segregated housing patterns make racially mixed schools a rarity. New York City schools, for example, have grown more segregated over the last decades. And with de facto segregation comes separate and unequal education.

Cheryl Brown Henderson, one of the children who helped desegregate public schools, brought her message to Cleveland earlier this month. Brown says over the years she's watched schools become more integrated but feels we're not there yet. "The country is far more inclusive than it has ever been and obviously we have some unfinished business to do because not all of our schools are functioning as they should be; not all our communities are as open and inviting as they should be."

We have come a long way; however, we still have a long way to go.

Today I rise to celebrate the anniversary of *Brown v. Board of Education*. I am proud to be an American. I saluted African Americans like Barbara Byrd-Bennett who believed in the fight for justice, believed in their dreams for equality and continue to pave the way for a better tomorrow.

Mr. CUMMINGS. Mr. Speaker, I rise in support of H. Con. Res. 414, a resolution celebrating the 50th anniversary of the *Brown v. Board of Education* Supreme Court decision, brought to the floor by my very good friend; a pioneer for civil rights in this House and the ranking member of the House Judiciary Committee, Representative JOHN CONYERS. Mr. CONYERS, I thank you for your continued leadership on issues that affect the center of people's lives.

May 17, 2004 marks the 50th anniversary of the U.S. Supreme Court decision that unanimously held that racial segregation of public schools violated the 14th amendment. The legacy of the *Brown* decision lives on throughout the Nation, and I, as well as million of Americans throughout the country, are the direct beneficiaries of this monumental court decision.

In the early 1950's, racial segregation in public schools was the norm across America. But in 1954, the United States Supreme Court affirmed that separate facilities are indeed inherently unequal. The court determined that the segregation in public schools based solely upon race deprives minority children of equal

opportunity. As such, the Court concluded that in the field of public education, the doctrine of "separate but equal" has no place.

Mr. Speaker, as we celebrate the 50th anniversary of this historic groundbreaking case it is incumbent upon us to reflect and assess where we stand today. As students of history know, we study the past in order to learn about the present and build a better future.

However, for many Americans Brown's promises to seem unfulfilled. America's schools remain imperiled by segregation. Poor children living in disadvantaged urban communities of color overwhelmingly attend re-segregated schools, as more affluent white families have departed for the suburbs. Methods of school funding virtually assure that wealthy district will offer superior educational opportunities. In addition, the one compelling pledge that this administration has made to raise standards in our schools, the No Child Left Behind Act, remains under funded to the tune of \$9 billion.

Mr. Speaker, we must not allow this nation to return to a time before Brown. The lesson of Brown is that segregation clearly does not work. I encourage my colleagues to use this opportunity to renew their commitment to eradicating all vestiges of segregation by voicing their support for H. Con. Res. 414.

Furthermore, I call upon my colleagues and the administration to fully fund the No Child Left Behind Act. Unless we ensure that every child in this nation receives an equitable and quality education, this Nation's children will be suffocated once again by the legacy that segregation has left behind in our schools.

Mr. PAUL. Mr. Speaker, I rise to explain my objection to H. Con. Res. 414, the resolution commending the anniversary of the decision in *Brown v. Board of Education* and related cases. While I certainly agree with the expression of abhorrence at the very idea of forced segregation I cannot, without reservation, simply support the content in the resolution.

The "whereas clauses" of this resolution venture far beyond the basis of Brown and praise various federal legislative acts such as the Fair Housing Act of 1968, the Civil Rights Act of 1964 and the Voting Rights Act of 1965. This final Act was particularly pernicious because it was not applied across the board, but targeted only at certain areas of the country. As such, it violates the spirit of the very equal protection it claims to promote. Moreover, we certainly should ask what constitutional authority lies behind the passage of such legislation.

The history of racism, segregation and inferior facilities that led to Brown cannot be ignored, and should not pass from our condemnation. Still, thinking people must consider the old adage that "two wrongs do not make a right." Simply, the affects of Brown have been, at best, mixed. As this anniversary has approached there have been a large number of events and articles in the media to celebrate the decision and analyze its impact. Most people, regardless of their opinion of the decision, seem to be aware that it has not achieved its goals.

In many places in our country the public school system continues to fail many American children, particularly those in the inner city. Research shows that our schools are more segregated than at any point from the 1960s. Some of this is undoubtedly due to the affects of the Brown decision. Do we really mean to celebrate the failures of forced bus-

ing? Forced integration largely led to white flight from the cities, thus making society even more segregated. Where children used to go to different schools but meet each other at the little league field, after Brown these people would now live in different cities or different counties. Thus, forced integration led only to even more segregation. A recent Washington Post article about McKinley High School makes this very point. Worse still, prior to this re-segregation racial violence was often prevalent.

We need also to think about whether sacrificing quality education on the altar of equality is not a terrible mistake, especially as it applies to the opportunities available to those who are historically and economically disadvantaged. For example, research has shown that separating children on the basis of gender enhances academic performance. Attempts to have such schools have been struck down by the courts on the basis of Brown. Just last night Fox News reported the academic successes at schools separating children based on gender, as approved by this body is the so-called "No Child Left Behind Act." Yet the National Organization of Women continues to oppose this policy on the basis of Brown's "separate is inherently not equal" edict, despite the statistically evident positive impact this policy has had on the achievement of female students in mathematics and science classes.

Mr. Speaker, in short forced integration and enforced equality are inimical to liberty; while they may be less abhorrent than forced segregation they are nonetheless as likely to lead to resentment and are demonstrably as unworkable and hence ineffective.

While I completely celebrate the end of forced segregation that Brown helped to bring about, I cannot unreservedly support this resolution as currently worded.

Mr. BOEHNER. Mr. Speaker, I rise today to commemorate the 50th anniversary of the U.S. Supreme Court's *Brown v. Board of Education* decision and to draw a parallel from this historic ruling to the landmark No Child Left Behind education reform law.

The words penned by Chief Justice Earl Warren on May 17, 1954 still ring true today and provide a clear roadmap for improving America's public education system in the future. Fifty years ago, Mr. Warren wrote:

In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms.

By striking down the doctrine of "separate but equal" as unconstitutional, the Brown decision flung open wide the doors of public education for all children, regardless of their color or back ground. It ensured every child a seat in an integrated classroom. It guaranteed access to an equal education for everyone. No longer could students be refused an opportunity to receive a quality education simply because the color of their skin.

Two years ago, Congress—in a bipartisan vote—enacted that No Child Left Behind Act as the logical step to improving education for all students. We promised to increase federal education funding while demanding high standards and accountability for all students. As a result of the law, parents are receiving

more information than ever before about the quality of their local schools and are realizing new opportunities to improve their children's education.

What was once an unattainable dream for so many parents stuck on the wrong side of the tracks has now become a reality. Parents with children trapped in underperforming schools may now transfer them to better performing schools.

A report released yesterday by the Citizens' Commission on Civil Rights found that the No Child Left Behind Act is already creating new educational opportunities for minority students. According to the Commission's report, at least 70,000 students in 47 states are benefiting for the law's school choice provision.

The Commission understands—just as Congress did—the importance of providing parents new options to improve their children's education. They also understand how added school choice options will help the whole education system get better, not worse.

The Commission's findings are fortified by a recent Chicago Sun-Times analysis showing that of the students who were allowed to transfer to a better performing school under NCLB made greater strides on state-designed reading and math tests than students in their former school. The paper also determined that other students' scores did not drop as a result of the incoming students, as many education reform opponents predicted would happen.

However, these are not the only signs of No Child Left Behind's early success. Students are showing considerable improvement in the nation's largest urban schools. A recent report by the Council of Great City Schools attributed much of this improvement to the No Child Left Behind Act.

Earlier this week, Florida and Michigan reported decreases in the achievement gap between African-American students and their Caucasian peers.

There is still much work to do before America fully realizes the dream of the Brown v. Board of Education decision, but we are on the right track. By holding the line against education reform opponents and allowing states and school districts to implement the full scope of No Child Left Behind's reforms, we will ensure a higher level of student academic performance than we have ever achieved.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today as we celebrate the 50th Anniversary of *Brown v. Topeka Board of Education*. African Americans and other minorities have been affected tremendously by this landmark decision and have benefited from it over several decades. We would like to think that our country now benefits from the inclusion of having a more enriched and diverse classroom, workplace, and community. We now have more black doctors, lawyers, Members of Congress, CEOs, scientists, astronauts, teachers and the list continues.

There is no doubt Brown represents the power and potential of masses united in struggle for justice and equality. The larger question before us today is, has Brown achieved its goal of equality in education and educational opportunity for African Americans? The sad answer, after so many decades of struggle, remains: No.

When compared to their White counterparts, African American children were three times as likely to be labeled mentally retarded or emotionally disturbed. The number of African

Americans attending graduate, medical or dental school slowly has been declining. There are more black males in our prison than in our institutions of higher education.

Although there are 39 African American Members of Congress in the House of Representatives, there is not one black man or woman serving in the U.S. Senate. Out of our 50 states that make up our great Nation—not one has a black man or woman at the top as Governor.

Mr. Speaker, data from the 2000 census makes it clear that the ridged lines of ethnic and racial segregation persist across the entire country. This year is not only a celebration of the step forward in freeing the minds of African-American children but a reflection that in 50 years we have failed as a Nation to provide equal education and opportunities to minority children in our country. After 50 years of “separate but equal” being ruled unconstitutional, it is evident it still exists in our schools and communities today.

Mr. RUSH. Mr. Speaker, today I rise to commemorate the 50th year anniversary of the Supreme Court decision in *Brown v. Board of Education of Topeka*. The Nation’s highest court spoke almost half a century ago, but it seems that we have not received the message.

Mr. Speaker, I believe segregation has taken on a new face. It is now a matter of access to quality education; it is now a matter of accountability to our children for the unfulfilled promises made 50 years ago; and it is now a matter of addressing disparities in school funding formulas.

In my own State of Illinois, a black child is about 50 times more likely than a white child to attend one of Illinois’ worst-of-the-worst “academic watch” schools. That number for white children is less than one percent.

I stand in strong support of this important resolution, because I believe a stronger America is an educated America. And I believe the only way to continue the legacy of *Brown* is to engage in an honest discussion about the current state of public schools in America. Then and only then we will be able to address the change promised by the legacy of *Brown*. Mr. Speaker, segregation was and still is present in our schools today.

Mr. CASTLE. Mr. Speaker, as an original cosponsor of H. Con. Res. 414, it gives me great pleasure to support this important resolution today.

On Monday we celebrate the 50th anniversary of *Brown v. Board of Education*, which found that, “in the field of education, the doctrine of ‘separate but equal’ has no place,” thus guaranteeing every American student a seat in the classroom. Truly a landmark decision, *Brown* did not end in the classroom. It helped pave the way for the enactment of the Civil Rights Act of 1964, the Voting Rights Act of 1965, and the Fair Housing Act of 1968.

Enactment of the No Child Left Behind Act, built upon the educational progress made in *Brown* by ensuring every student will not only have access, but will also receive a quality education. While progress has been made since the *Brown* decision, a huge gap still remains when it comes to ensuring all children actually learn. Significant academic achievement gaps between disadvantaged students and their more affluent peers still exist in key subjects such as reading and math. In effect, we have allowed a two-tiered educational sys-

tem—one with low expectations for poor or minority students and high expectations for others.

Nationally, the achievement gap between African-American and Caucasian fourth-graders in reading is 28 percentage points. The achievement gap between Hispanic and Caucasian fourth-graders is 29 percentage points. We have allowed ourselves to believe that some children are simply beyond our reach, and, as a result, this Nation has suffered.

Not unlike *Brown*, No Child Left Behind is rooted in the belief that all students—regardless of race, background, income, geography, or disability—can learn, and must be given the chance to do so.

No Child Left Behind has its skeptics, and change is never easy. Despite complaints, all parties involved are answering to the requirements of No Child Left Behind. States, school districts, teachers, parents and without doubt the students are meeting the rigors of the law. This response shows that we all are dedicated and believe in the goals of the law.

We are already seeing positive results. According to a 2004 study by the Council of Great City Schools, the achievement gap is narrowing in both reading and math between African-American and Caucasian and Hispanic and Caucasian students in our Nation’s inner-city schools—and they attribute the positive change in part to No Child Left Behind.

I am honored to be a cosponsor of this resolution, encourage us all to celebrate the anniversary of *Brown*, and reflect on how far we have come in ensuring educational access. We must also recognize that the job is not done; we must see to it that all children are learning. No Child Left Behind is a step in this direction and we must stay the course.

Mr. GEORGE MILLER of California. Mr. Speaker, I am pleased today to support this resolution encouraging all Americans to observe the anniversary of *Brown v. Board of Education* with a commitment to continuing and building on its legacy.

*Brown v. Board of Education* is one of the most important decisions our Supreme Court has ever made. It’s important to celebrate the progress that has been made over the past 50 years in eliminating discrimination and inferior education for low-income and minority children—but it’s also important to take a good, hard look at how far we still have to go.

Sadly, we are still light years away from providing the equal education envisioned by Thurgood Marshall and Earl Warren. Today, as in 1954, the quality of a child’s education is still all too often linked to the color of his or her skin.

Just as the United States has the best health care in the world for those who can afford it, we have one of the best public education systems in the world if you happen to grow up in a predominantly white or wealthy community. But what if you don’t?

If you are one of the millions of children who attend predominantly minority schools, our society continues to fail you. And that short-changes not only the children, but the future of this nation.

It is shameful that poor and minority children are often assigned to less-challenging classes and less qualified teachers. The best teachers are often across town, a virtual world away from the students who need them desperately.

Black students are assigned disproportionately to special education, and low-income

students are less than half as likely to be assigned to “college prep” courses. Overcrowded classrooms and dilapidated school buildings also send a powerful message to poor and minority students about what is expected of them.

Just yesterday, a judge with a sense of history in Kansas reminded us of the importance of school equity by ordering schools closed for not adequately serving the needs of poor, minority, disabled and non-English speaking children.

This lack of access to an equal education affects academic achievement. Seventy-four percent of white 4th graders read well, nearly twice the rate of the black classmates; and their Latino and Native American classmates are only slightly better. It is a national shame that half a century after this Nation committed itself to equality in education, fewer than half of minority children can read proficiently.

And that failure plays out in high school graduations. When millions of students get their diplomas a few weeks from now, only about half the minority children who began high school will graduate. That is an unacceptable rate of failure that in most cases, dooms those young people to a life of second class opportunities. That was not the lesson of *Brown v. Board of Education*.

It was to end that two-class education system once and for all that we passed No Child Left Behind three years ago, to end the racial and economic disparities that divide our schools and divide our country.

The No Child Left Behind law—if fully funded—would put a qualified teacher in every classroom. If all students were assigned highly qualified teachers for 5 years, evidence shows that test-score gaps separating poor and middle-class students would disappear. Not just narrow, but disappear.

But the President has turned his back on this law and underfunded it by nearly \$27 billion. And our children are paying the price for yet another dream deferred.

The foundation of the civil rights struggle of 2004—as in 1954—is in the classroom. Civil rights pioneer Dr. Dorothy Height said it well: “The surest path to success is through education.”

Like Dr. Height, we must keep fighting and keep fighting so that 50 years from now—when our grandchildren celebrate the 100th anniversary of *Brown*—they will be able to point with pride to an education system that lives up to the ideals of *Brown v. Board of Education* once and for all.

Mr. VITTER. Mr. Speaker, I rise today to celebrate the 50th anniversary of the *Brown v. Board of Education* Supreme Court decision. On May 17, 1954, Supreme Court Chief Justice Earl Warren announced the Court’s unanimous decision that ended the legal racial segregation in our Nation’s public schools.

Without the courage and determination of the families that made up the 5 cases under *Brown* and the team of attorneys from the National Association for the Advancement of Colored People (NAACP), our Nation’s public schools would have continued to operate under the “separate but equal” doctrine.

All parents want to ensure their children are safe, happy and healthy. They also want to give them the opportunities that were not afforded to them. Access to safe public schools that have the necessary resources for their children to succeed later on in life is important

to every parent, regardless of race, color or creed. As a proud father of 4 children, I recognize the link between education, good paying jobs, and securing our children's future in the 21st century.

I have long been an advocate for education in my State. I know the importance of providing our public schools with the necessary technology improvements that will help children compete in the 21st century. I continue to believe that if children are given the necessary tools to succeed, they will succeed beyond their wildest dreams.

I congratulate the children, parents, and the NAACP attorneys who pursued this case for their role in ensuring all children have the right to receive a quality education. Thank you for pursuing and believing in your fundamental rights under the Constitution, which guarantees every citizen the right to the pursuit of happiness, liberty, and equal opportunity.

Mr. TOWNS. Mr. Speaker, I rise today to acknowledge the 50th Anniversary of the Supreme Court's courageous decision in *Brown v. the Board of Education*.

I want to take this opportunity to pay tribute to the team of lawyers from the NAACP Legal Defense Fund, led by Thurgood Marshall who had the courage to pursue this case. I want to thank the legal scholars and strategists at Howard University School of Law, led by Charles Hamilton Houston, who had the intellect to map out this winning strategy. I want to thank the sociologists and psychologists, led by Kenneth and Mamie Clark who undertook the challenge of gathering evidence of the harm done to African American children when society branded them with a mark of inferiority. And I want to thank the parents and students who risked homes, livelihoods, and underwent physical threats and harassment to be a part of this lawsuit. Fifty years after *Brown*, this country owes a debt of gratitude to each of these people who played a part in bringing about the end of legal segregation based on race. In the face of violence, intimidation and governmental resistance, they pressed forward to move this country closer to the realization of its stated creed—freedom, equality and justice for all.

Yet 50 years later, we know that the work they started is not finished. We must remember that their goal was not only to end legal segregation of the public schools, but to assure that a quality public education is available for all children. We are still involved in that struggle. On this anniversary of *Brown*, many will point to the fact that many schools are still segregated and are rapidly re-segregating. I join them in these concerns.

As people talk about the *Brown* decision, many will talk about the meaning of the decision and others will talk about the promise the decision represented. The theoretical underpinning of *Brown* was that public schools must be supported adequately. The lawyers in *Brown* wanted to dismantle segregation for many worthwhile reasons. But they also wanted to emphasize that as practiced, separate was inherently unequal. While we have legally abolished the separateness required before *Brown*, we have not yet addressed the problem of equality of funding.

We are still operating state-based educational systems in which schools attended by racial minorities receive less money than those located in primarily white areas. This inequality in funding must be abolished to complete the

mission of *Brown*. We must focus on the perpetual under-funding of inner-city schools. We must recognize that the achievement gap is inextricably linked to the economic gap. Low-performing schools are almost always situated in communities that are pockets of poverty. We must realize the importance of teacher and administration accountability but not forget that Congressional accountability requires that we make school funding a priority. Congress must assure that there is adequate money for school construction to reduce class size and purchase educational materials. We must ensure that teachers are paid for the professional and important job that they do. And finally, we must provide funding which allows local communities to build a supportive infrastructure that values the role of education in the community.

To me, the message of the *Brown* decision was simple—education is a vehicle of upward mobility. If we have heard *Brown*'s message, we must fulfill its promise—that every child can succeed, if given the opportunity of a quality public education. We still have not fulfilled the promise. Therefore, Mr. Speaker, I suggest that we in this House dedicate ourselves to hear the message of *Brown* and fulfill its promise by working to provide the opportunity for a quality public education for all of America's children.

Mr. SCOTT of Virginia. Mr. Speaker, as the Representative for Virginia's Third Congressional District, and the state's first and only Black Congressional Representative since Reconstruction, I take personal pride in celebrating the 50th Anniversary of the landmark decision in *Brown v. Board of Education*. Virginia played a prominent role in the case. The *Davis v. Prince Edward County Public Schools* case, one of the cases decided with *Brown*, was a Virginia case. Also, two of the nation's premier constitutional lawyers in the *Brown* case came from Virginia. Attorney Oliver Hill, who continues to fight for equal justice for all, and the late Judge Spottswood Robinson, argued the case on behalf of the student plaintiffs in the *Davis* case.

In the *Brown* decision, the United States Supreme Court unanimously struck down the legal and moral footing of racially segregated public education in this country. The decision overturned *Plessy v. Ferguson*, an 1896 case which held that a state could maintain "separate but equal" public accommodations based on race. When Homer Adolph Plessy, who was one-eighth Black, entered a railroad car reserved by law for whites, he was arrested. He challenged the constitutionality of the law, but the Supreme Court, by a vote of seven to one, found it valid. Although *Plessy* concerned public accommodations, the policy rationale was applicable to public education, as well. Indeed, the court opined on that point as follows:

[W]e cannot say that a law which authorizes or even requires the separation of the two races in public conveyances is unreasonable, or more obnoxious to the fourteenth amendment than the acts of congress (sic) requiring separate schools for colored children in the District of Columbia, the constitutionality of which does not seem to have been questioned . . .

Justice John Marshall Harlan was the lone dissenter in the 7 to 1 decision. He wrote an opinion containing the following:

The destinies of the two races in this country are indissolubly linked together, and the

interests of both require that the common government of all shall not permit the seeds of race hate to be planted under the sanction of law. What can more certainly arouse race hate, what more certainly create and perpetuate a feeling of distrust between these races, than state enactments which in fact proceed on the ground that colored citizens are so inferior and degraded that they cannot be allowed to sit in public coaches occupied by white citizens? That, as all will admit, is the real meaning of such legislation as was enacted in Louisiana . . . The thin disguise of "equal" accommodations for passengers in railroad coaches will not mislead anyone, or atone for the wrong this day done.

In overturning *Plessy*, the *Brown* Court not only confirmed Justice Harlan's "thin disguise" dissenting opinion in *Plessy*, but also held that even if the tangible features of a segregated public education system were equal, a constitutional violation would still exist. The reasoning of the Court then is still valid today:

Today, education is perhaps the most important function of state and local governments. Compulsory school attendance laws and the great expenditures for education both demonstrate our recognition of the importance of education to our democratic society. It is required in the performance of our most basic public responsibilities, even service in the armed forces. It is the very foundation of good citizenship. Today it is a principle instrument in awakening the child to cultural values, in preparing him for later professional training, and in helping him to adjust normally to his environment. In these days, it is doubtful that any child may reasonably be expected to succeed in life if he is denied the opportunity of an education. Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms.

We come then to the question presented: Does segregation of children in public schools solely on the basis of race, even though the physical facilities and other "tangible" factors may be equal, deprive the children of the minority group of equal educational opportunities? We believe that it does.

The Court then discussed the impact segregation has on minority children:

To separate them from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community that may affect their heart and minds in a way unlikely ever to be undone. The effect of this separation on their educational opportunities was well stated by a finding in the *Kansas* case by a court which nevertheless felt compelled to rule against the *Negro* plaintiffs: "Segregation of white and colored children in public schools has a detrimental effect upon the colored children. The impact is greater when it has the sanction of the law; for the policy of separating the races is usually interpreted as denoting the inferiority of the negro (sic) group. A sense of inferiority affects the motivation of a child to learn. Segregation with the sanction of law, therefore, has a tendency to retard the educational and mental development of negro (sic) children and to deprive them of some of the benefits they would receive in a [racially] integrated school system."

Unfortunately, Virginia led the resistance to the *Brown* decision. Ironically Virginia used language in the *Brown* decision as legal grounds for its resistance actions:

Such an opportunity, where the state has undertaken to provide it, is a right which must be made available to all on equal terms.

Virginia reasoned that it could avoid integrating its schools by not having any schools at all. As a result, Prince Edward County closed its schools for several years, Norfolk, Front Royal and Charlottesville also closed some of their schools.

We overcame "massive resistance" and, today, Prince Edward County has one of the most integrated public school systems anywhere. Yet, five decades after Brown, a recent study by the Harvard Civil Rights Project revealed that many students in this country still attend schools and classes that are virtually segregated. So, while we have desegregated public schools, we have not achieved the integration that Dr. Martin Luther King, Jr., envisioned when he dreamed of the day "little black boys and girls will be able to join hands with little white boys and white girls and walk together as sisters and brothers". In fact, the Harvard study data indicates that 70 percent of African American children attend schools that are predominately African American, about the same level as in 1968 when Dr. King died.

So, the struggle for equal educational opportunity continues. The promise of equal educational opportunity envisioned by the Brown decision remains unfulfilled. For example, equal educational opportunity does not occur when one jurisdiction spends substantially more per student than an adjacent jurisdiction because of the relative differences in wealth between the two. Unequal funding resources also results in unequal educational opportunity when you consider studies that show that one half of low income students who are qualified to attend college do not attend because they can't afford to. Another example of the educational inequality is the current debate over publicly financed school vouchers which will provide educational opportunities to a privileged handful, but deprive public schools of desperately needed resources. Also in this vein is the inappropriate use of "high stakes" tests, many of which are culturally biased and, therefore, diminish opportunities for some students based on their ethnicity.

A final important equal opportunity issue in education is the current attack on civil rights in the Head Start program. A slim majority of the members of the U.S. House of Representatives recently voted to weaken the 40-year ban on discrimination in hiring in the Head Start program.

Obviously, we have work to do to complete the promise of the Brown decision and Dr. King's dream for our nation. The upcoming celebration of the 50th anniversary of the decision offers us an opportunity to rededicate ourselves to achieving these lofty ideals.

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

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to the order of the House of Wednesday, May 12, 2004, the concurrent resolution is considered as having been read for amendment and the previous question is ordered.

The question is on the concurrent resolution.

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

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays. The yeas and nays were ordered.

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

#### PERMANENT EXTENSION OF 10-PERCENT INDIVIDUAL INCOME TAX RATE BRACKET

Mr. RYAN of Wisconsin. Mr. Speaker, pursuant to House Resolution 637, I call up the bill (H.R. 4275) to amend the Internal Revenue Code of 1986 to permanently extend the 10-percent individual income tax rate bracket, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 637, the bill is considered as having been read for amendment.

The text of H.R. 4275 is as follows:

H.R. 4275

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

#### SECTION 1. EXTENSION OF 10-PERCENT INDIVIDUAL INCOME TAX RATE BRACKET.

(a) IN GENERAL.—Clause (i) of section 1(i)(1)(B) of the Internal Revenue Code of 1986 (relating to the initial bracket amount) is amended to read as follows:

“(i) \$14,000 in the case of subsection (a).”.

(b) INFLATION ADJUSTMENT BEGINNING IN 2004.—Section 1(i)(1)(C) of such Code (relating to inflation adjustment) is amended to read as follows:

“(C) INFLATION ADJUSTMENT.—In prescribing the tables under subsection (f) which apply with respect to taxable years beginning in calendar years after 2003—

“(i) the cost-of-living adjustment used in making adjustments to the initial bracket amount shall be determined under subsection (f)(3) by substituting ‘2002’ for ‘1992’ in subparagraph (B) thereof, and

“(ii) such adjustment shall not apply to the amount referred to in subparagraph (B)(iii).

If any amount after adjustment under the preceding sentence is not a multiple of \$50, such amount shall be rounded to the next lowest multiple of \$50.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

#### SEC. 2. REPEAL OF SUNSET.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to—

(1) paragraph (1) of section 1(i) of the Internal Revenue Code of 1986, and

(2) the amendments made by paragraphs (1) and (7) of section 101(c) of such Act.

The SPEAKER pro tempore. After 1 hour of debate on the bill, it shall be in order to consider the amendment printed in House Report 108-483, if offered by the gentleman from New York (Mr. RANGEL), or his designee, which shall be considered read and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from Wisconsin (Mr. RYAN) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes of debate on the bill.

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

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House can make the 10-percent bracket permanent for working Americans by passing this legislation, H.R. 4275. The 10-percent bracket was created in the Economic Growth and Tax Relief Reconciliation Act of 2001. It has provided substantial tax relief for low-income workers by taxing the first \$14,000 of married couples and \$7,000 for singles at a 10-percent rate instead of a 15-percent rate. This tax relief was accelerated last year in last year's Jobs and Growth Tax Relief Reconciliation Act. H.R. 4275 would make this tax relief permanent.

If Congress fails to act to pass this legislation, Americans will see their taxes increase starting next year. Without action, the size of the 10-percent bracket will automatically shrink next year, so that more income will be taxed at a higher rate. In fact, the 10-percent bracket will vanish altogether after the year 2010 unless we act today to make it permanent.

□ 1100

If H.R. 4275 is not enacted, 73 million tax filers will see a tax increase starting next year. The effect will be particularly acute after 2010 when 123 million tax filers will see an average annual tax increase of \$500.

It is worth noting that more than 20 million of these returns are low-income taxpayers and families who have all of their income taxed at this lower 10-percent rate. The public deserves a solid, dependable Tax Code that provides incentives and lets working people keep their money for their own needs. The 10 percent bracket provides such an incentive, one we can and should make permanent by passing this legislation.

Mr. Speaker, it is important that people know what taxes they are going to face in the future. By having all of these uncertainties in the Tax Code, not knowing whether you are going to be in the 10 percent bracket next year, the 15 tax percent bracket next year, it makes it difficult to budget for the future.

We are talking about the taxpayers who can least afford to have a big tax increase going from 10 percent to 15 percent on their incomes next year, let alone not having the knowledge of knowing whether or not this is going to happen. It is very important, Mr. Speaker, that families know what lies ahead, that businesses know what lies ahead, and let us all remember that two-thirds of businesses in America file their taxes as if they were individuals, not as corporations, but as pass-through entities where they file on the individual rate. Making sure that small businesses, which produce 70 percent of the jobs we have in this country and low-income taxpayers know what lies ahead in the Tax Code is very important to make sure that we sustain the economic recovery we are now engaged in.

Mr. Speaker, largely because of the tax cuts that this bill enacted, largely

because of the full implementation of the tax rate reductions that occurred just this last July, our economy has taken off. Just since last August, this economy, by the most conservative estimate, has produced 1.1 million jobs. In fact, since January 1 of this year, this economy, by this most conservative payroll estimate, has produced 881,000 jobs. This is no longer a jobless recovery; this is a recovery that is producing good jobs.

Even the manufacturing sector, which is so near and dear to my heart because it is such a big issue in Wisconsin, is producing jobs. The reason we are producing jobs in this economy is because people get to keep more of their own money to spend as they see fit. Businesses are reinvesting, rehiring people. The economy is working, and we cannot snuff out this economic recovery by yanking out the tax relief that was so instrumental in getting us onto the path of growth that we are on today. That is why I urge passage of this bill.

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

Mr. BECERRA. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from New York (Mr. RANGEL), the ranking member of the Committee on Ways and Means, for the managing of the time on this side of the aisle.

The SPEAKER pro tempore (Mr. LINDER). Is there objection to the request of the gentleman from California?

There was no objection.

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

Mr. Speaker, we have before us another proposal which in this case I think every single Member of Congress would like to step up to the plate and say we need to do something like this. We have a tax system where oftentimes folks who work very hard, those who are striving and obtaining middle-class status, sometimes find they are paying more taxes than people earning 10, 20, 100 times what they are. That seems very unfair, and it is very unfair.

When we have a tax proposal which actually reduces taxes by starting at the bottom, by taking the lowest tax rate and giving a tax break there, you guarantee giving a tax cut to everyone, not just those who are very wealthy, but those who are middle income and those who are of modest income. If you start at the bottom tax bracket, everyone will fall into that bracket, whether rich or poor.

So when we look at this particular proposal we have before us, H.R. 4275, from the onset we want to say, let us do something like this because it helps all of America. And so we should be able to say let us do this because it helps all of America. The difficulty is while we should do something like this, this bill, H.R. 4275, does not help all of America.

What is worse is if I can tell Members that those who are not helped are those in the middle of America, Members

would be most surprised. Members would think perhaps it does not help everyone because we avoid giving the very wealthy, who got tremendous tax relief from previous tax bills that the President proposed, it would be unfair to pile on top of the more than \$130,000 in tax cuts they have received in the last couple of years even additional sums; but that is not the case.

The folks who are losing here, and there are millions who would lose, are folks who make between \$50,000 and \$100,000. In other words, the one-fifth of America that most of us consider middle class is the group of Americans that are going to suffer, millions of them. Within the next 5 or so years, some 33 millions of those households that earn between \$55,000 and \$100,000 are the households that are not going to get to benefit from this particular tax cut proposal. As unfair as that sounds, that is the reality.

There are ways to cure it, and on this side of the aisle there will be a substitute proposal presented which ensures that every single taxpaying family, including those between \$50,000 and \$100,000 would qualify for the tax reduction in this particular proposal. It is a simple amendment, it just needs to be paid for; and we have come up with a way to pay for it which is not just fair but fiscally responsible.

Mr. Speaker, we have a proposal here that on its face can be sold to the American public, but in reality and in its implementation, not only is it unfair because it leaves out a good portion of middle America, at the same time it does nothing to cure what is going to haunt the rest of America for many, many years, and that is this growing deficit that we have in our Federal budget.

This year we are being told we will have a budget deficit exceeding perhaps \$400 billion. That is more than \$1,000 for every man, woman, and child in this country. Think of it as a birth tax. Any child born today automatically is born with that family owing the Federal Government as a result of President Bush's budget for this year over \$1,000 to the Federal Government, just on bearing that child.

This proposal, which will cost billions of dollars, and as I said, it has no legitimate purpose behind it to help reduce the taxes for all Americans, if we do the right thing, is not bad because you are reducing taxes on one end, but if you are just raising them somewhere else, you are not getting much of a benefit. We will have an opportunity to get into this later.

I applaud the gentleman from Wisconsin (Mr. RYAN) for his efforts to try to move this forward. I would hope at the end of the day we realize we have not just an opportunity to reduce taxes for all Americans, but we have a way to do it so that the implementation really will reach all Americans, not just some; and we will do it in a fiscally responsible way by paying for the costs of this, rather than add to the

costs of the national debt and the growing Federal deficit that we have today.

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

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just mention very briefly, the gentleman who just spoke is from California, and the taxpayers just in the State of California who are now only paying that 10 percent bracket, there are 2,605,960 taxpayers in the State of California alone who would experience a huge tax increase relative to their tax burden next year if this legislation is not passed. In fact, there are over 12 million taxpayers in California alone that would experience higher taxes next year if this does not pass.

So each of us represents people who are struggling to make ends meet who are at the bottom rung of the economic ladder who are staying just afloat and paying taxes at that 10 percent bracket who are making \$16,000 or less as a couple. Those are the people that we want to help, and we want them to get on the upper trajectory of prosperity. The last thing we want to do is hit them with a big tax increase. If we fail to pass this bill, that is exactly what will happen.

Mr. BECERRA. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I do not disagree with some of what the gentleman just said, but the gentleman has to read the whole book to understand, not just look at certain chapters in the book. What the gentleman from Wisconsin (Mr. RYAN) has excluded from his reading of the book is that we have something approaching 13 million households in America today, today, that by the time they file their taxes for next year will not qualify for the benefits in this proposal. That is 13 million, and that is because of the AMT, the alternative minimum tax.

Remember back in the 1970s, early 1980s when we heard stories of the multibillion dollar corporations, the multimillionaires who at the end of the day when they filed their taxes would pay zero in taxes where the average American was having to give Uncle Sam some money?

Well, there was a law passed to make sure that everyone, not just middle class, but even the super rich and megawealthy corporations paid some taxes. That was the alternative minimum tax legislation. But we have seen incomes creep up some, we have seen inflation creep up some; and as a result, the alternative minimum tax has seen more people creep up into its brackets and now qualify to have to pay taxes under the alternative minimum tax.

There are 13 million households who next year when paying their taxes will not benefit from this proposal because they will fall under the AMT. And by 2010, in 5½ years, we will have 33 million households that will have crept up

into the AMT world. Therefore, while they may get a tax break under this proposal at first, when they have to switch over to do their calculation for their taxes under the AMT, they will get nothing. This bill does nothing to cure that. The Democratic substitute does.

We do not think it is fair to sell this as a tax cut for everyone when, indeed, middle-class America is the one that is losing out the most, and all at the expense of growing the size of the national debt. Let us be fiscally responsible and let us be fair. We have a way to do that. We would hope our colleagues on the other side of the aisle would join in that effort.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, on May 5, 2004, the House voted 333-89 to extend the exemption amounts for the AMT, to index them for inflation; and I think the gentleman from California (Mr. BECERRA) voted for the AMT relief bill. We passed the bill, making sure that we can go study the problem and figure out how to comprehensively fix it.

Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. SESSIONS), a member of the Committee on Rules.

Mr. SESSIONS. Mr. Speaker, I thank the gentleman for not only ensuring the success of this bill but also properly arguing the merits of the 10-Percent Tax Bracket Permanent Extension bill, H.R. 4275. Today we are on the floor to talk about part of what is a vision that our President has and the Republican Party has for taxpayers in this country. Before the year 2000, from 1986 to 2000, there was a 15 percent tax bracket, the lowest tax bracket for Americans in this country.

President Bush challenged this Congress to do something better, to do better for the middle class in this country and those wage earners in the bottom tax brackets. I believe we responded in kind with the tax cuts that we provided this President that he asked this Congress to do. I think we did the right thing.

The fact of the matter is that under our own rules and regulations of getting bills done, including working with the other body, we could not make this permanent.

□ 1115

We are here today to say to the American public, to say to taxpayers, we need to make this permanent. This is about making the 10 percent tax bracket permanent so that we do not have a tax increase to the 15 percent. The people who will gain and benefit most from this wonderful action will be those people who are brand new, starting up in their lives, perhaps, men and women who have a big dream. Perhaps they have just come to this country. Perhaps they are young people who are starting their families. We need to make sure that we do not overtax them.

That is why the gentleman from Wisconsin is on the floor today. That is

why the gentleman from Wisconsin, representing the Committee on Ways and Means and their great chairman, the gentleman from California, are on the floor today, to say we think this message that our President, George W. Bush began, that this Congress has agreed with, that the American people needs, that the Republican Party is here asking for again, is important. It is important that we have permanent extension, that we say we are not going to fight this battle again, that those taxpayers deserve a low tax rate. They need to pay in their fair share, and we believe that fair share should be 10 percent.

I believe in what we are doing. I would ask for all my colleagues to support H.R. 4275.

Mr. BECERRA. Mr. Speaker, I yield myself 1 minute to respond to something my friend from Wisconsin mentioned, that last week we passed legislation from this House that would take care of the Alternative Minimum Tax problem. Again, that is one chapter in another book. What he does not mention is the other chapters in the book say that that was relief for 1 year. So all those millions of Americans, the 13 million Americans of the 100 million Americans who are Tax filers would for 1 year, if that legislation takes effect, be saved. But in 2006, 2007, 2008, it jumps right back up.

What the gentleman does not say is that the reason we are in this fix to begin with is because the other side of the aisle, as is proposed in these bills, is not willing to put forth a permanent reduction right away because of the cost. So we are coming back every year doing this piecemeal because it seems to cost less, and the American public does not realize what the ultimate cost of this is. But you can only fool the American public so long.

Let us do things right, be fiscally responsible, and do it fairly. We do not mind doing it. Let us just be fiscally responsible and fair about it instead of cloaking this behind some device and some statement.

Mr. Speaker, I yield 5½ minutes to the gentleman from Washington (Mr. MCDERMOTT), a member of the committee.

Mr. MCDERMOTT. Mr. Speaker, let us be honest about what is going on out here today. It is Thursday. We are going home. They have got a fund-raiser tonight. The Republicans wanted to hang around for that. We have got to have something to put in the Saturday news that will kind of blot out what is happening in Iraq. So let us get this tax bill out here. We load up the cannon and we will get the rubber-stamp Congress in here and they will go bam-bam, and whatever the President says. You know, I think if the President said, I want the Republicans to come and stand on their head in the aisles, they would be down here in droves. This Congress is not thinking.

Mr. Speaker, I submit for printing in the CONGRESSIONAL RECORD an article

entitled "All Quiet on the House Side" from the Washington Post of May 11. That article goes on to lay out what this Congress has not done. Thirty-five of our people were killed in Iraq last week. Many more were injured. People have seen these pictures of abuse. They have been looking at it all. And what did the House do? Well, we named some post offices. That seemed pretty important. Last week, the Nation learned that the Federal debt reached an all-time high of \$7.13 trillion. What did we do? Well, we said they could use the Capitol grounds to have the soapbox derby. That was a very important way we responded to that. Yesterday the Bush Department of Commerce announced that our trade deficit and the amount of money that this Nation borrows from foreigners to pay for our imports, from the Chinese to the Saudis, hit an all-time high. We are in the debt of the Chinese and the Saudis. Just do not ever forget that, because that is what we are doing. You are paying your taxes so we can pay interest on debt that we borrowed from the Saudis and the Chinese.

If you read some of the books around town, the President is probably going to call the Prince of Saudi Arabia and ask him to produce some more oil so we can lower the price. That is, if you believe Bob Woodward's book. Secondly, the majority leader has dismissed the idea of any kind of investigation. And, third, despite the record-high budget and trade deficit, they come out here asking for more tax cuts that will disproportionately help the wealthy.

When this passes today, there will be 225 Republicans or 300 Republicans, or whatever, I do not know how many, they will all be out here going home with their press release under their arm saying, I helped you. What they do not tell people is what this means in terms of long-term debt. They are going to say, well, but this is for the middle class. The amount of money that goes to the middle class is less than goes to the people on the top of the pyramid. This is not a tax cut for the middle class. It is really a tax cut for the people on the top, and there was no way to exclude the middle class so they had to get a few of the drippings off the edge of the table.

My colleagues remember that story about Lazarus the beggar who was sitting on the floor, waiting for some crumbs to fall off the table. That is the middle class of this country according to this President. He ought to read that story about Lazarus. There is a real message there that I think gets lost in this whole process.

In today's clips, you will also find a quote from our chairman, excuse me, our ranking member for the moment, who said, "We don't want our grandkids to pay higher taxes tomorrow to pay for our tax cuts today. So all we are saying is don't take credit for extending the tax cuts on the one

hand while you're breaking your promise to balance the budget for your children."

Nobody looking at what is going on in the world today could possibly say you know where you are going. You made these tax cuts in the first place when you were going downhill 100 miles an hour and you said, oh, if we cut the taxes, it will be all better. The proof is going to be in the pudding on election day. The fact is that on election day, you are going to find out whether all your hot air that you have blown into the economy really turns out to be real or not.

In February, you created 21,000 jobs. We have got to remember that it takes 250,000 jobs every month to keep up with the increase in population in this country. If you do not create 250,000 jobs, you are not even keeping up with the problem. They created 21,000 jobs. All government jobs, by the way. Not a single private sector. Then they came to March. This was their big winner, 308,000 jobs. Well, that is about keeping up. Then the next month they came up with 280-something thousand and, my goodness, they kept up one more month. But they have done nothing about the 2.25 million jobs that they lost over the last 3 years. They have also produced the highest long-term unemployment rate since the Second World War and they want to make another tax cut today.

There is an old country saying that some of the people probably know about: When you find yourself in a hole, the first thing is, stop digging. The Republicans believe that the faster you dig, the better you are going to get out of the hole. We had to dig you out in 1993 under Mr. Clinton. We dug you out and you just went back to get your shovel and start digging a hole again. Please stop digging.

Mr. Speaker, I include the following article from the Washington Post:

[From the Washington Post, May 11, 2004]

ALL QUIET ON THE HOUSE SIDE

DEMOCRATS SAY GOP IS EVADING DEBATE

(By Charles Babington)

The week of April 26 was eventful and troubling for the nation, yet curiously brief and serene for the House of Representatives. Thirty-five U.S. servicemen were killed in Iraq. CBS aired shocking photos of Americans abusing prisoners near Baghdad. The federal debt reached an all-time high, more than \$7.13 trillion.

In the House, meanwhile, members returned to Washington on Tuesday of that week for three quick, unanimous votes at nightfall. They renamed a post office in Rhode Island, honored the founder of the Lions Clubs, and supported "the goals and ideals of Financial Literacy Month."

The next day, Wednesday, was a bit busier. After naming a Miami courthouse for a dead judge, House members debated how to extend the popular repeal of the tax code's "marriage penalty." The only real issue was whether to pass the Democratic or Republican version. The GOP plan prevailed, 323 to 95.

After two days and one night of desultory activity—roughly their average workweek this year—House members packed up and

rushed home to their districts. Despite the burgeoning scandal over U.S. treatment of Iraqi prisoners and persistent concerns about the economy and the deficit, the House has been keeping bankers' hours.

The House's lean schedule is no accident. GOP leaders who set the agenda and floor schedule say they achieved most of their top priorities last year—including enactment of a Medicare prescription drug bill and the third round of President Bush's tax cuts—and are content to rest on their laurels through the election. While other House priorities are stuck in the Senate, House Republicans believe they have the best of all worlds: They can take credit for the enacted legislation and blame Senate Democrats for bottling up the rest of their agenda.

"Last year we sent a lot of legislation to the Senate, and we don't want to overload them," House Majority Leader Tom DeLay (R-Tex) told reporters last week. "They're already overloaded. . . . We need to be here passing good legislation, doing the people's work and not doing a bunch of make-work."

House Democrats see a more cynical motive. The GOP majority, they say, wants a complacent Congress that will raise few questions about the Bush administration, despite the international uproar over the prison abuse scandal in Iraq and recent damaging revelations about Bush's decision to go to war.

"Given all the issues and problems the country faces, it's scandalous that we're only coming in to work three days a week, and even then most of the time we're renaming post offices," said Rep. Chris Van Hollen (D-Md.). "This is a deliberate effort to keep Congress out of town, keep us from asking questions."

House Minority Leader Nancy Pelosi (D-Calif.) noted that senators held three committee hearings on the prison abuses before House leaders summoned Defense Secretary Donald H. Rumsfeld to the Armed Services Committee last Friday—a day that the Senate was meeting but the House was not. DeLay dismissed the idea of a full-fledged congressional investigation, which he likened to "saying we need an investigation every time there's police brutality on the street."

Pelosi complained: "Americans are out of work. Our troops are in danger in Iraq. Our reputation is in shreds throughout the world. And we're leaving early afternoon on Thursday."

She also said, "The House of Representatives has demonstrated that it is nothing more than a rubber stamp for the administration."

Stephen Hess, a senior fellow at the Brookings Institution, contends that the House's anemic work schedule is symptomatic of the larger problem of political gridlock. He said lawmakers are "probably realistic in saying, 'We're not spending much time here because we know that nothing would get done.'" He added, however, that "if they stuck around and talked to each other, maybe they could figure something out."

Last week's House action was typical in many ways. It featured bitterly partisan arguments over the Iraq war, in the House chamber and in dueling news conferences. But the main bills approved were a resolution condemning the prison abuses and a long-expected one-year extension of a provision to protect millions of Americans from the alternative minimum tax—a temporary measure that postpones difficult decisions about a major looming problem.

The week of April 19 was similar. The House held three votes Tuesday night, all unanimous and all renaming post offices. On Wednesday, members quickly passed five bills without debate, under "suspension"

rules. The one drawing the most opposition—14 nay votes—endorsed research and development into "green chemistry."

Thursday was that week's busiest day, as Republicans and Democrats vigorously debated a "continuity of government" bill, meant to ensure that Congress could function if many lawmakers perished in a terrorist attack. The measure, which passed 306 to 97, would require states to hold special elections within 45 days if at least 100 House members were killed. As usual, members had Monday, Friday and most of Tuesday free of Washington-based duties.

Meanwhile, the U.S. military campaign in Iraq had one of its bloodiest weeks ever. Shells killed 22 Iraqi prisoners near Baghdad one day, and suicide bomb blasts killed 68 people in Basra—many of them children—the next. Violence in the besieged city of Fallujah continued, and 14 U.S. servicemen were killed during the week.

The week before that, the House was in recess, as it plans to be the week of May 24, the week of June 28, the six weeks starting July 26, and all of October, November and December.

John Feehery, spokesman for Speaker J. Dennis Hastert (R-Ill.), defended the House's accomplishments and pace. "Last year we sent a lot of things over to the Senate, and they're sitting in Tom Daschle's back pocket," he said, referring to the Senate minority leader, from South Dakota. Those bills include tort reform to curb medical malpractice suits, energy legislation, and welfare reauthorization.

This year, Feehery said, "we've passed a lean budget" for fiscal 2005. "We're working very hard to keep the president's tax cuts in place. We're monitoring the situation in Iraq" and will appropriate extra funds as needed. House committees, he said, "have done a lot of oversight on the Iraq war," primarily aimed at seeing that money is well spent.

The House does not need showy inquiries in front of cameras to fulfill its watchdog obligations, Feehery said. "Our oversight is not politically motivated, which probably frustrates the Democrats," he said. "It's motivated by better governance."

Rep. Rahm Emanuel (D-Ill.), a top adviser in the Clinton White House, is unconvinced. "We can name post offices," Emanuel said, "or we can ask the hard questions about the direction of our nation."

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 2 minutes to respond. There is a lot to respond to there, though. I do not know if I have enough time to respond to all of what my friend from Washington just said. I think that it would be good to have a little economic refresher course here for some of the Members of Congress.

I just want to point out a couple of things. Number one, the soapbox derby resolution was brought by the minority whip from the other side. But, number two, I think the Member from Washington ignored a lot of good things we just did in the last week here in Congress. Today we have the association health plans bill on the floor, helping small businesses, individuals, pool together to buy their health insurance in collective nationwide buying pools to get down the cost of health insurance. Yesterday we passed the FSA rollover to help bring down the cost of health insurance and we passed medical liability reform to help bring down the cost of health insurance.

So this Congress is obviously performing. I think he may have glossed over a lot of the accomplishments. In fact, we have 87 very important, substantive bills sitting over on the doorstep of the other body waiting for action because we have outproduced and outperformed the other body on legislation.

One final point is the unemployment rate that we are experiencing in America today is lower than the average unemployment rate of the nineties, the eighties, and the seventies; 1.1 million jobs have been created, good jobs, not all good jobs but many good jobs since August. This economy is pulling out of the recession it had experienced a year ago. This economy is producing jobs. We still, yes, have a way to go; but the point of the story is when you take a look at the fact that just this year, in the last 10 months since last July, we have had lower tax rates in America. Because of that, we actually have more revenues coming into the Federal Government.

But to make the point clear, last year where we had higher tax rates on the American taxpayer, we brought in less money to the Federal Government. This year with lower tax rates, where we have more economic activity, more people keeping what they earn and a lower tax rate, we are actually bringing in more revenue to the Federal Government. We believe the way to fixing our problems is jobs and by giving people a chance to upgrade their lifestyles and get jobs in the economy, we will have more tax revenue, rather than increasing taxes and increasing spending. That is not our philosophy.

Mr. Speaker, I yield 2½ minutes to the gentleman from Florida (Mr. SHAW).

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding me this time. I took particular interest in listening to the gentleman from Washington when he said how the Democrats in 1993 dug us out of a hole. I would have to remind the gentleman that his party was running the Congress for decades before that. There is not one dollar that this government spends that is not directly appropriated or approved by this House, right here, where revenue and spending bills must start and end. So I would suggest that he take a lesson in constitutional law and check his history when he starts doing this.

Then he says how they claim to have dug us out, with the largest tax increase in history. That is the way we balanced the budget. That is a fact of history. I think we should certainly take notice of that. As the gentleman from Wisconsin correctly pointed out, these tax decreases that we have on the books right now, one of which we are talking about sunseting now, that we want to erase the sunset on, has been the economic stimulus that has been the engine that has led to this great recovery. We were headed towards perhaps what would have been a very deep recession and if it were not for the

Bush tax cuts, we would have bottomed out and still be struggling at the bottom of the hole that he is referring to.

What have the tax decreases done? These tax cuts have given economic stimulus that has increased employment in this country. The unemployment rate has dropped tremendously, far beyond the expectations, I think, of either political party. What has done this? Economic growth has done this. To raise taxes or allow them to go up is trying to say that a store that is charging too much for goods is going to get more revenue by increasing the cost of its products. That does not happen. You slow down sales. When we increase taxes, or allow them to increase, economic growth is stifled. Unemployment goes up, economic growth is slowed, and this is a fact of life. What we need to do is to be sure that we do not go back to the lower rate at the 15 percent level, that we get rid of the sunset provision and provide that this 10 percent bracket is going to remain in effect.

This is tremendously important. It affects so many millions of taxpayers in my own State of Florida and it has a great economic effect in all the congressional districts. I urge the passage of this resolution.

□ 1130

Mr. BECERRA. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts (Mr. NEAL), a member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, I want to thank the gentleman from California (Mr. BECERRA) for yielding me this time.

Mr. Speaker, before I speak specifically to the issue here, let me offer an opinion just briefly based upon what the gentleman from Florida just said. We have got to pay for this war in Iraq. There ought to be some truth to what we do here. After this election, regardless of who is selected as the next President, it is going to cost another \$100 billion at least. That will be pushed off until after the election. So last year it was \$60 billion. Earlier this year it was \$87 billion. Now as part of the rollout, it is \$25 billion. We all know that number is too low. \$1 billion a week for Iraq and now more than \$1 billion a month for Afghanistan. 135,000 troops in Iraq. They need equipment. We are going to have to increase that base at some point.

The answer here is this: we are going to fight two wars with three tax cuts, and the markets are reflecting it. I appreciate the analogy that was drawn by the gentleman about raising prices, but we are engaged in two wars across the ocean. The Republican Party in American history used to take fiscal prudence as the cornerstone of their existence. Today they take the position that we can cut taxes time and again because at some point we are not going to have to pay.

We are going to have to pay for these two wars, and rather than taking the

response that we have in this institution week after week of just simply saying we are going to have another tax cut, there ought to be some truth to what it is that we attempt to do here.

In addition, it is an honor to be on the Committee on Ways and Means in this institution. It is really an honor. Why can these bills not come to the committee to be vetted the way they are supposed to be? Why are these bills brought to the floor around one of the prestigious committees in the Congress? I ask the appropriators who are watching in their offices now what they would do if legislation was brought to the floor that had not been vetted in their subcommittees or that had not been brought to the floor and discussed in the full committee before being brought to the floor in this institution for a vote. They would reject it. They would be up in arms.

In addition, the other phenomenon that we have witnessed here, Mr. Speaker, which is equally troubling, is that Members who do not even belong to the committee are now brought to the floor for this instantaneous solution to help them through the election cycle. That is not the way that committee is supposed to be run. The people on both sides are well regarded by other Members of this institution, and yet we move right around the process.

The substitute bills that have been offered by the Democratic minority in this House have been fiscally responsible. We would ask that these opportunities be put in place for us to discuss these bills in the committee where they are supposed to be discussed. That is what the Committee on Ways and Means does. And yet they are brought to the floor so that we can get ourselves through the next election cycle. It is an ill considered way to bring legislation to this floor, but most importantly, given the financial realities of Iraq and Afghanistan, it is irresponsible to do what we are doing now week after week.

I would remind people even with this legislation that is on the floor today, very simply, one third of the people through the clawback provisions of the Alternative Minimum Tax will not see any tax relief despite what they are saying today. We have got to deal with that alternative minimum tax issue; and the tax cuts they put in place week after week now, without a lot of thought incidentally, do not speak to the heart of the issue of Alternative Minimum Tax. It costs \$600 billion to fix. Let us fix that and give middle-income taxpayers the relief that they need.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. BARRETT).

Mr. BARRETT of South Carolina. Mr. Speaker, I thank the gentleman from Wisconsin for yielding me this time.

We are going to do something good today. One of the speakers earlier said

the House had not been doing anything. We are going to do something today.

Mr. Speaker, I rise today in full support of H.R. 4275, which preserves the 10 percent tax bracket. The tax cuts proposed by President Bush and passed in the Congress in 2001 created a new tax bracket at a low 10 percent rate to help lower the burden on working Americans. Because of this tax relief, the first \$14,000 of taxable income is now taxed at 10 percent instead of 15 percent, a significant savings to the American worker.

If Congress fails to act, the 10 percent bracket will shrink by \$2,000 next year and will completely disappear by 2011, resulting in 22 million low-income workers being pushed to a higher tax bracket, and 73 million working people paying higher taxes as early as next year.

The Joint Committee on Taxation estimates that H.R. 4275 will provide \$218 billion in tax relief over 10 years and will save the average taxpayer more than \$2,400 during the next decade.

Mr. Speaker, the bottom line is very simple. If Congress fails to pass this legislation today, we are raising taxes on low-income, hard-working people. That just does not make common sense. I know in South Carolina they know that they can spend their money better than we can. Let us give them back their money. Let us allow them to spend it. And I urge my colleagues to vote in favor of H.R. 4275.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. I thank the gentleman for yielding me this time.

Mr. Speaker, this legislation is about one thing, allowing hard-working Americans to keep more of what they earn. It is not complicated. As the previous speaker noted, this bill provides a lower rate on the first \$7,000 on taxable income for single filers and the first \$14,000 earned by joint filers. That affects nearly every American. It is an enormous benefit to low- and middle-income taxpayers. In my State alone, the 10 percent bracket has helped over one million people.

In this institution, Mr. Speaker, we hear time and time again about how we need to provide tax relief for all Americans, not just the wealthiest; for all working families, not just corporate CEOs. This is it. This is our chance. By passing this bill, we will help keep lower taxes for millions of working families, families who are saving for school, families who are looking to buy a home, families who are planning for their retirement, families who are looking just to make ends meet. Today we give them a chance. We work to lift their lives. We work to allow them to keep more of what they earn. We allow them a greater chance at the American dream. That is what it is all about. So when we hear the other side say time and time again that the Republican Party is only concerned about the

wealthiest, today is the test. Today is the chance that we have to help all working Americans, all working families. We allow them to keep more of what they earn. Let us see who stands up for hard-working families, and let us see who does not.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 2 minutes to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Speaker, I thank my colleague for yielding me this time, who is truly a leader in this House on the issue of tax relief for hard-working Americans.

We are talking taxes today and this week. And because the Republicans are the majority here, we are talking tax relief, not tax increases; and the taxpayers need to be thinking about that. If the Democrats were running the show, we would be talking tax and spend and higher taxes. Republicans believe that the taxpayers ought to be keeping more of those hard-earned dollars. And we face a lot of opposition to that here in Washington. Too many times we have got liberals who would rather spend their money for them, and then they want to take the credit for it. It was President Bush and the Republican Congress who enacted historic tax relief that is fueling tremendous job growth in this country. We have created over 1 million jobs since last August; and there were a lot of naysayers that said it will never happen, it will never happen. One million jobs since August.

H.R. 4275 is a critical piece of legislation for 24 million lower-income Americans. If we do not pass this, their taxes are going to increase by 50 percent. We do not believe government is why America is strong. We think it is because of the people. It is Americans that make this country great, Americans that are making economic choices for themselves and their families, not having a government program taking away their checkbook. That is the Republican philosophy. We have led on this issue, and we are continuing to work to lower personal income tax brackets.

Time and again the American people are choosing to send Republicans to Washington because they want tax relief. I have said it in the past. Democrats only talk about tax relief in election years. Republicans talk about tax relief every year.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 2¾ minutes to the esteemed gentleman from Illinois (Mr. CRANE), a high-ranking member of the Committee on Ways and Means.

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

Mr. Speaker, in 2001 we passed the first Bush tax cut, which I am proud to say created the new 10 percent tax bracket. Before this legislation was passed, the lowest tax rate was 15 percent; and without immediate legislative action, 73 million hard-working American taxpayers, including 22 mil-

lion low-income taxpayers, will see their taxes increase next year. In 2004 the 10 percent rate applies to the first \$7,000 of tax-paying citizens' taxable income for single taxpayers and \$14,000 for joint filers. However, beginning in 2005 through 2007, the 10 percent tax rate will shrink and apply only to the first \$6,000 in taxable income for single filers and \$12,000 for joint filers. In 2011 the 10 percent bracket will disappear all together. We cannot allow any of this to happen.

The legislation before us today maintains the size of the 10 percent bracket at \$7,000 for singles and \$14,000 for married couples. H.R. 4275 also makes permanent the 10 percent tax bracket and indexes the income limits for inflation. Once enacted, it will save the average American taxpayer more than \$2,400 over the next 10 years. Who will benefit from this? 73 million American taxpayers, including 22 million low-income taxpayers, small business owners and their employees, hard-working Americans who through no fault of their own are about to be hit with a tax increase.

Mr. Speaker, a vote against this legislation is a vote to increase taxes on those who can least afford it.

I commend the gentleman from Texas (Mr. SESSIONS) for his leadership role in ensuring that this does not occur, and I urge my colleagues on both sides of the aisle to support this legislation, the passage of which will be of great benefit to our citizens.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. BROWN).

Mr. BROWN of South Carolina. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today in strong support of H.R. 4275 because I know how important this bill is to our recovering economy to nearly 73 million of America's hard-working families. This Congress must act now to extend and to make permanent the 10 percent tax bracket.

Last year, the President signed the Jobs and Growth Tax Act into law. Our ailing economy needed bold and decisive action; and this plan was precisely that, the right recipe at the right time. Since the law went into effect last June, the economy has expanded at an average quarterly rate of 5.5 percent.

This bill accelerated the reduction of individual tax rates and allowed for the expansion of the 10 percent bracket, which grows the paychecks of all Americans. An increase in disposable income, or simply put, more money in the pockets of all Americans, has contributed to a growth in consumer spending. This is critical to my district in South Carolina because it helps tourists from all over America visit our coastal areas and spend money to enjoy our attractions and Southern hospitality. And this is happening all over America.

Benefits of the Jobs and Growth Tax Act are long term as well. In addition

to the short-term boost from the passage of this bill, making all of the tax cuts permanent will lead to a significant increase in investments, job creation, and wages paid to workers. In fact, more than 1.1 million jobs have been created nationwide since last August. For all of these reasons, I cannot overestimate how important it is for Congress to permanently provide the tax relief that the 10 percent bracket affords.

I thank the gentleman from Texas (Mr. SESSIONS) for taking the lead on this critical piece of legislation and the House leadership for continuing to make permanent tax relief a priority for this Congress. With the economy finally starting to rebound, now is not the time to raise taxes on the American people. I am proud that we have made great progress in this area, but I realize we have much work left to do.

I urge all of my colleagues to support H.R. 4275 and to continue to fight for hard-working American taxpayers.

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

Mr. Speaker, as I said before, there is the kernel of a very good idea in this legislation, and I believe that both sides have tried to extract the good idea from the proposal before us today. The difficulty is, as you ask any farmer, it takes time and it takes money and it takes a lot of sweat to have anything grow.

No one in America should believe that we can pass legislation that will cost more than \$200 billion and not have it take some sweat and some cost for America. Money does not grow on trees. There is a cost involved. It is a worthwhile idea, because this is a tax cut that everyone can agree to, because it starts from the bottom and everyone would get it, if you corrected the AMT, which, unfortunately, this legislation does not do.

So while there is the kernel of a good idea, it is destroyed by the reluctance or the unwillingness to do what is right, and that is to take care of the 33 million Americans by 2010, in 5½ years, who will fall into the Alternative Minimum Tax and will see any savings from this particular tax cut washed out when they have to file their taxes using the Alternative Minimum Tax.

Secondly, when you are facing mounting deficits, the largest this country has ever seen, and you are starting to now see the consequences of it, you have to reflect back on the term used in the late 90s, early 2000, when we talked about this "irrational exuberance" of the stock market, where you kept seeing the stock market just rise and rise and rise, and people could not make sense of it. But everyone kept buying and buying and buying, because that is where we were headed.

All of a sudden the floor dropped out from under us, and people paid the price. Talk to the employees from Enron, who saw their company go

bankrupt and saw their entire pension savings washed away not only because of Enron's corruption, but because of the drop in the stock market.

That irrational exuberance is now driving much of what we have seen on the floor this year. A quick example: this year alone in this House we have passed out, and I will say to all of America, I did not vote for these measures, not because I did not want to, but because I did not think it would be fiscally responsible, we passed marriage penalty tax relief, a kernel of a good idea, unpaid for, over \$100 billion; the extension that my colleague from Wisconsin mentioned of AMT relief for 1 year only that will cost close to \$18 billion to make sure those Americans don't fall into the AMT. Good, but only 1 year.

Three, a flexible spending plan that was on the floor yesterday for debate, which is, again, a good idea, to allow Americans who have health care costs to be able to have a pot of money that they can extend over to the next year if they did not use it up. A great idea. Cost, close to \$10 billion, unpaid for.

Extension of the 10 percent tax bracket that we are debating today, about \$220 billion, unpaid for.

The child tax credit extension done a few weeks back, again a good idea for families that have children. \$161 billion, unpaid for.

Total, more than \$500 billion this year alone in unpaid-for tax cuts, most of which have a good idea behind them. To add to the \$400 billion-plus deficit for this year alone, which adds to, as you heard my colleague from Massachusetts mention earlier, the more than \$3 trillion debt that the Nation owes as a whole.

Irrational exuberance? Take a look at today's paper, business section: "U.S. trade deficit grows unchecked. \$47 billion gap in the month of March."

We are on track to have a more than \$500 billion trade deficit with other countries. We are going to owe, at the end of this year, just for this year, to foreign interests, more than \$500 billion. What they are going to do with those securities they get, that promissory note from us in its place, we do not know. If they dump it all of a sudden, we are in real trouble.

What else should we know? Gasoline prices. Gasoline prices a year ago were 50 cents less per gallon. If you are the average American, that means it has added about \$50 a month in your gasoline bill. That is about \$600 a year more in gasoline this year you will be paying.

On top of everything I have said before, the \$400 billion-plus deficit for this year, that adds more than \$1,000 for every man, woman and child. I will call it the birth tax. The \$50 a month that you pay, call it a \$600 birth tax, because if you have a child, let us put the debt on that child for the gasoline; and on top of that, there is \$500 billion more that this House just passed, and, by the way, the Senate has not done it,

because they know better, that would be added.

Before you know it, you have got to conclude that this is irrational exuberance. Let us get real. Great ideas. Every single time these proposals have come up, the Democratic alternative has said okay, good ideas; but let us pay for them where we can. Where we cannot, let us pare them down, because we cannot continue to sell the American public a bill of goods.

Someone will pay for this. Good ideas. We would all love to be there. If we had real discussions in committee, we could have hashed this out and come up with a bipartisan bill. But we bypass the committee process. Again, America does not know that. We are coming to the floor without having discussed this in committee. That is okay. That is the way it is going to work. We will live with that. But do not let the American public believe you can do this stuff and pluck it off trees and pay for it.

Let us do it the right way. Let us be fiscally responsible. Let us be fair. Make sure that those from the President's previous tax cuts of a couple of years ago, who received \$130,000 in benefits if you were a millionaire in tax cuts, pay their fair share. If a guy in Iraq, one of our soldiers, a man or woman, can sacrifice a little bit, and probably not take advantage of any of these benefits, then certainly those folks who are the millionaires, who are taking home the lion's share of all of these tax cuts, can sacrifice a bit to help us pay.

That is what we do. We have a proposal that would say take the one-fifth of 1 percent wealthiest to help pay for this, for all Americans. We think you can do it. Sure, it hits millionaires; but it helps middle-class Americans. It is fiscally responsible, fair, and something that would get a bipartisan vote that could get signed by the President.

Mr. Speaker, we are going, I guess, to continue to do this in the House and not watch the Senate do any of this whatsoever; and we are going to end again this year without having given people what they keep thinking we are going to give them, and that is what I think damages this institution overall as a whole.

Let us move forward in a bipartisan fashion. We can do it, because there is a kernel of a good idea in these proposals. But we can be fiscally responsible and fair at the same time.

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

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, since we are going into the debate on the substitute, I will not take too long to close, although I think some of what the gentleman from California just said bears some responding to.

I think this debate has done a pretty good job of showing those who are viewing it the differences, the differences between the two parties here

on the floor, the differences between the two approaches to fiscal responsibility, between two philosophies.

What you just heard the gentleman from California say is we have recklessly cut taxes by \$500 billion over the next decade. It is important to put that in context.

Mr. Speaker, this Federal Government will spend about \$2.7 trillion this year. Off the top of my head, we will be spending, with taxes coming in, about \$29 trillion over that 10-year period. So we are proposing to allow the American taxpayer to keep about \$500 billion out of that \$29 trillion of their money we are about to spend.

It kind of comes down to this, Mr. Speaker, two points. Number one, we believe the best way to get ahold of our fiscal problems, to reduce our deficit, is to hold the line on spending and cut spending and grow the economy. The budget resolution we brought to the floor just a month or so ago was a resolution that froze spending and actually reduced spending in critical areas so we can get a handle on our Nation's finances. The other side did not vote for that budget agreement.

We also need to recognize the fact that when you cut taxes, economic growth occurs from that. One of the great stories being told right now, the success that we see in the data from this new economic recovery that is producing all these jobs, is the fact that this year, with the lower tax rates we are paying, we are getting more revenues coming in to the Federal Government.

What we see is that when you cut taxes on entrepreneurs, when you cut taxes on families, when you cut taxes on investors, they engage in more economic activity, they create jobs, and people go from being unemployed and collecting unemployment to going and working and paying taxes. That is what is happening today. That is a recipe for success.

We do not want to squelch this economic recovery. We do not want to raise taxes on people. We want to keep taxes low, watch our spending and reduce spending, and help people get work, so when they go to work they can provide for their families, and, yes, pay taxes, so that we can get the revenues we need to reduce and eliminate our deficit. That is the approach we are advocating.

What is the other side's approach? What is the substitute they are about to bring to the table? More tax increases. Okay, you can cut taxes to these people over here on the right hand, but we have to raise taxes to these people on the left. Net tax increases.

It is a fundamental difference in philosophy. Whereas they believe we have to keep taxes high and higher, that the emphasis should not be on spending, but we should raise more taxes, we believe the emphasis should always be on recognizing the fact that the taxes that this country collects is not our money,

but the money of the American person, the man and woman in the marketplace, who is working hard to provide for their family, who is creating jobs, who is sweating and working every single day. It is their money, not ours.

So we do not believe philosophically, that is the root of what we believe in, that we should just cavalierly take more and more and more money out of a person's paycheck, out of their wallet. We believe they should keep more of what they earn.

What is so great about that philosophy is it is also good economic policy, and we are seeing that. We are actually getting more revenues because of lower taxes. How about that? And the good news is, this can be bipartisan. When John Kennedy did this, it worked. When Ronald Reagan did this, it worked. This has been done by Republicans and Democrats coming together in the past. When Reagan did it, it was because of good Democrats working with Jack Kemp and Bill Roth in the Congress to reduce tax rates on the American families. What happened? Economic growth was encouraged, tax rates went down and revenues went up.

This does work. It is working right now. What we are seeing in this debate is a difference in philosophies.

Mr. Speaker, I want to conclude by saying one thing. If a Member of Congress comes to the floor today and votes against this bill, they are voting to increase taxes on 23 million low-income workers. They are voting to increase taxes on 23 million low-income workers by one-third, to raise their taxes by one-third. They are also voting to increase taxes on 80 million taxpayers across the country.

It is a very clear vote. If you vote for this bill, you preserve these tax cuts. If you vote against this bill, you are going to raise taxes on 23 million low-income earners, the least of whom among us should be facing this kind of a tax increase.

Mr. BLUMENAUER. Mr. Speaker, last week, Federal Reserve Chairman Alan Greenspan delivered a warning that "the free lunch has still to be invented." He was referring to the soaring Federal budget deficits that are adding hundreds of billions of dollars to our \$7 trillion debt. These budget deficits are threatening economic growth and increasing interest rates in the short-run, and risk the solvency of Social Security and Medicare in the long-run. This bill is not a free lunch. In fact, it will cost \$218 billion over the next 10 years.

Instead of passing legislation with any degree of fiscal responsibility, the Republican leadership is passing the buck, trillions of them, onto our children and grandchildren. Middle-class tax cuts are important in addressing tax fairness, of which our current system is increasingly in dire need of help. The Democratic substitute, which I support, provides middle-class tax relief and protects against the egregious impact of the Alternative Minimum Tax, without adding to the Federal budget deficit and burdening future generations.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I stand against H.R. 4275, which would per-

manently extend the 10-percent individual income tax rate bracket. I stand against this measure not because it reduces taxes, but because it continues the use of irresponsible fiscal policies. A tax that is made permanent today with no clear and effective offsets will leave this Nation in trouble for the future.

Our Nation faces a staggering deficit with record low revenues coming in to the Federal Government. These conditions have left significant needs for education, health care, fire and police protection, and many other services. The deficit this year is expected to exceed last year's record deficit by at least \$60 billion and to total at least \$2 trillion over the coming decade. America simply cannot afford more unpaid-for tax cuts.

Given this situation, we must act now to protect our Nation's public investments and long-term economic future. By failing to offset its \$218 billion cost, H.R. 4275 would further drain Federal coffers of revenue needed to meet our Nation's shared priorities. Moreover, increasing already large deficits will undermine long-term economic growth and diminish the quality of life for future generations of Americans who will face higher interest rates and who will have to bear the burden of the debt incurred today.

At this uncertain time of continuing unknown costs of war in Iraq and its aftermath, and with an aging population about to strain Social Security and Medicare resources, it is reckless to enact permanent unpaid-for tax cuts. Our Nation faces a long-term gap between revenues and obligations, and soon Congress and the American people will have to make hard decisions about how to meet our competing priorities. Given this reality, we should not make permanent changes to the tax code that will further reduce revenues for decades to come.

I want to reiterate that the most disturbing aspect of irresponsible fiscal policies are the soaring deficits that will result from these policies. This administration has tried to say that deficits don't matter; we know that is simply not true. History has proven that chronic deficits threaten our economic strength by crowding out private investment, driving up interest rates, and slowing economic growth. Indeed foreign investment in the United States has dried up because foreign investors have no confidence in the Bush economic agenda. This Administration's irresponsible budget policies have turned a surplus into a large deficit that is choking off growth in the American economy.

President Bush likes to say his policies are geared towards tax cuts for all Americans. In fact the average American won't receive a substantial tax cut, but will instead be hit with a tax hike in the form of an evergrowing deficit. A large deficit means taxpayers have to shoulder the costs of paying the interest on this new national debt. The end result will be a debt tax on the great majority of Americans. This will be a tax on lower- and middle-class Americans; it will be a tax on our heroic war veterans; it will be a tax on the elderly and, most unfortunately, it will be a tax on our children. The truly sad part of these policies is that, while they are bad for America today, they are even worse for future generations of American taxpayers.

Mr. STARK. Mr. Speaker, I rise today to oppose H.R. 4275, the reckless Republican bill permanently extending the 10 percent individual income tax bracket, and in support of

the Democratic substitute that provides real, fiscally sound relief for middle-class families who deserve it most.

Expanding and extending the 10 percent tax bracket is a great benefit to many low-income Americans. But, let's not forget that this bill also benefits the wealthy who get more of their income taxed at a lower rate as well.

Low- and middle-income Americans deserve this tax break. But, the Republicans are unwilling to pay for it, leaving a \$200 billion hole in lost revenue. Even worse, when this proposal is added to the other tax bills that have recently passed or are being proposed, the price tag is over \$500 billion in new debt thrown on the backs of our children and grandchildren.

The Republican plan is also flatly unfair to a lot of taxpayers because it refuses to spread benefits out equally. Just last week, the Republicans passed a one-year patch for the Alternative Minimum Tax (AMT) that helps the wealthy but fails to protect lower-income families while driving the country further into debt. Unfortunately, the Republicans' bill today does not apply to anyone who pays the AMT, which means a full one-third of all taxpayers cannot benefit from this tax cut at all. Some deal if you ask me.

In contrast, the Democratic substitute is fair, fiscally responsible and a whole lot better for most American families. Our bill extends the 10 percent bracket expansion, but it does so while requiring that Congress find a responsible way to pay for this change to the tax code in order to make it permanent. To finance the immediate costs of this change, the substitute requires the wealthiest Americans—those earning over \$1,000,000 annually—to give back a small portion of the huge Bush tax cuts. Finally, the substitute applies this tax cut equally to all taxpayers by ensuring even those paying the AMT get the benefits of the expanded 10 percent bracket.

I urge my colleagues to vote against the unfair, fiscally irresponsible Republican proposal and support the Democratic substitute, which provides equal relief for all taxpayers without burdening our children and grandchildren with billions of dollars in new debt.

Mr. KIND. Mr. Speaker, I strongly support providing tax relief to middle-income Americans by extending the 10 percent tax bracket expansion that is scheduled to expire next year.

Without action, the current amount of income subject to the 10 percent tax bracket will decrease by \$1,000 for individual filers and \$2,000 for couples as required under the 2003 tax cut package. While the majority of the 2003 tax proposal that passed the House was fiscally irresponsible and designed to benefit only the wealthiest of Americans, its provision expanding the 10 percent tax bracket to benefit more middle-income taxpayers had bipartisan agreement. The legislation before us today and the substitute offered by Congressman Tanner will permanently extend the current income levels falling under the 10 percent tax bracket.

As we extend the 10 percent tax bracket expansion, we need to act in a fiscally responsible manner. It is unfair to Americans today, and especially the next generation, to delude ourselves by thinking the record budget deficits facing our Nation, estimated by the White House at over \$500 billion this year alone, will simply go away.

As a member of the House Budget Committee, I supported a budget resolution that

would have extended the 10 percent tax bracket expansion while still reducing the deficit. This approach requires tough choices, prioritization, and a bipartisan commitment to helping working families. With the House-Senate conference committee still negotiating the budget resolution for fiscal year 2005, I remain hopeful that we will be able to provide Americans continued tax relief today without raising the debt burden on our children's generation.

The substitute offered today by Representative TANNER is a more responsible bill that will provide relief to millions of families while not increasing the budget deficit. By adding a rate adjustment of 1.9 percentage points of the tax cuts for households making over \$1 million, the Tanner substitute provides a reasonable offset to benefit more American families without burdening our children with added debt that they will have to pay off. Further the Tanner substitute also completely protects against these tax cuts being taken back by the Alternative Minimum Tax, and provides incentive to address mounting Federal deficits by making permanency of this tax provision contingent on a balanced budget in 2014. This is a superior approach, helps more Americans, and ensures most middle income taxpayers will not have to worry about a tax increase related to the 10 percent bracket in the near future.

Mr. Speaker, it is important that we act today to ensure average-income Americans will not unfairly jump into a higher tax bracket in 2005. However, I believe we can and must provide this relief in a fiscally responsible manner that will not burden future generations of Americans. Just as it was true last week when we passed legislation permanently repealing the marriage penalty tax, our work is far from over in helping working families face the challenge of today's economy. We must come together in a bipartisan manner to craft a fiscally responsible budget resolution.

Mr. RUPPERSBERGER. Mr. Speaker, I rise in opposition of this amendment today. I agree extending the 10 percent tax bracket is necessary and lawmakers should pass legislation to make it permanent. Substantively, I agree with this.

I disagree, however, with the impact this bill will have on our already dire fiscal reality. We need to have responsible fiscal management in this country—beginning with a sound and comprehensive budget. All bills that follow should incorporate the same fiscal responsibility, whether that bill cuts taxes or authorizes spending.

This bill has a \$218 billion price tag, which will have to be borrowed on top of the \$280 billion we have already borrowed this year. I am extremely concerned about our levels of borrowing, most of which comes from foreign governments.

The Treasury Department states that major foreign holdings of U.S. Treasury securities equal \$1.6 trillion. Mainland China and Hong Kong alone hold \$206 billion of U.S. debt. Japan has \$607 billion in holdings. With China's purchases of U.S. government securities exploding by more than 105 percent since January 2001, it is clear that foreign investments in the U.S. are financing our budget deficits. That means foreign investors, not U.S. residents, will be the beneficiaries of the interest paid by us, our children and our grandchildren.

The Washington Post recently quoted a former official of the People's Bank of China

as saying, "The U.S. dollar is now at the mercy of Asian governments." This is simply wrong and we need to stop it now. If we do not, future generations will be burdened with higher taxes and greater debt. They will have to pay off the structural deficits and interest costs we are accumulating today.

The only way to stop this now is to stop deficit spending. That is why I supported the substitute bill that would have provided tax relief that was paid for and did not add to our historical \$7.1 trillion Federal debt.

Mr. FRELINGHUYSEN. Mr. Speaker, today I rise in support of H.R. 4275, which will permanently create a low 10-percent rate to reduce the tax burden on 73 million working Americans.

The fact of the matter is if Congress does not act this year, taxpayers will feel the burden of a significant tax increase.

The creation of the 10-percent tax bracket in 2001 has boosted the take-home pay for more than 733,000 working New Jerseyans. This legislation puts a halt to expiration of the 10-percent tax bracket and more importantly prevents 24 million low-income workers from being pushed into a higher tax bracket, and ultimately being forced to pay more in taxes.

In 2001, tax relief legislation passed by Congress and signed into law by President Bush created a new tax bracket at a low 10-percent rate. Because of this significant tax relief, the \$14,000 of taxable income for couples and \$7,000 for singles tax filers is taxed as 10 percent instead of 15 percent.

Without enactment of this legislation, in 2005, the 10-percent bracket will shrink by \$2,000 for couples and \$1,000 for singles and will ultimately disappear in 2011.

That is why I urge my colleagues to join me in supporting H.R. 4275 and to continue building on our ongoing efforts to provide tax relief for all hard working Americans.

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

The SPEAKER pro tempore (Mr. LINDER). All time for debate on the bill has expired.

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
OFFERED BY MR. TANNER

Mr. TANNER. Mr. Speaker, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

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

Amendment in the nature of a substitute offered by Mr. TANNER:

Strike all after the enacting clause and insert the following:

**SECTION 1. EXTENSION OF 10-PERCENT INDIVIDUAL INCOME TAX RATE BRACKET.**

(a) IN GENERAL.—Clause (i) of section 1(i)(1)(B) of the Internal Revenue Code of 1986 (relating to the initial bracket amount) is amended to read as follows:

“(i) \$14,000 in the case of subsection (a).”.

(b) INFLATION ADJUSTMENT BEGINNING IN 2004.—Section 1(i)(1)(C) of such Code (relating to inflation adjustment) is amended to read as follows:

“(C) INFLATION ADJUSTMENT.—In prescribing the tables under subsection (f) which apply with respect to taxable years beginning in calendar years after 2003—

“(i) the cost-of-living adjustment used in making adjustments to the initial bracket

amount shall be determined under subsection (f)(3) by substituting "2002" for "1992" in subparagraph (B) thereof, and

"(ii) such adjustment shall not apply to the amount referred to in subparagraph (B)(iii).

If any amount after adjustment under the preceding sentence is not a multiple of \$50, such amount shall be rounded to the next lowest multiple of \$50."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

(d) REPEAL OF SUNSET.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to—

(1) paragraph (1) of section 1(i) of the Internal Revenue Code of 1986, and

(2) the amendments made by paragraphs (1) and (7) of section 101(c) of such Act.

**SEC. 2. BENEFITS OF ACT NOT DENIED BY REASON OF ALTERNATIVE MINIMUM TAX.**

(a) MINIMUM TAX.—The amount of the minimum tax imposed by section 55 of the Internal Revenue Code of 1986 shall be determined as if section 1 of this Act had not been enacted.

(b) CREDITS.—In applying section 26(a)(1) of such Code, the amount referred to in subparagraph (B) thereof shall be reduced (but not below zero) by the amount of the reduction in the taxpayer's regular tax liability by reason of section 1 of this Act.

**SEC. 3. BENEFITS EXTENSION NOT TO INCREASE FEDERAL BUDGET DEFICIT.**

(a) IN GENERAL.—Section 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(j) ADDITIONAL TAX ON HIGH INCOME TAXPAYERS.—In the case of taxable years beginning in calendar year 2005, 2006, 2007, 2008, 2009, or 2010, the amount determined under subsection (a), (b), (c), or (d), as the case may be, shall be increased by 1.9 percent of so much of adjusted gross income as exceeds \$1,000,000 in the case of individuals to whom subsection (a) applies (\$500,000 in any other case)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2004.

**SEC. 4. REQUIREMENT THAT CONGRESS BALANCE BUDGET.**

(a) IN GENERAL.—Notwithstanding the provisions of section 1 of this Act and any other provision of law, title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall take effect in the form as originally enacted unless Congress meets the requirements of subsection (b).

(b) REQUIREMENTS.—Congress meets the requirements of this subsection if—

(1) before September 1, 2010, Congress has enacted comprehensive Federal budget legislation, and

(2) the Director of the Office of Management and Budget certifies in September of 2010 that such legislation—

(A) will result in a balanced Federal budget by fiscal year 2014, determined by taking into account the costs of the foregoing provisions of this Act and without taking into account the receipts and disbursements of the Social Security and Medicare Trust Funds, and

(B) will permit the general fund of the Treasury to repay amounts previously borrowed from the Social Security and Medicare Trust Funds without requiring large foreign central bank purchases.

The SPEAKER pro tempore. Pursuant to House Resolution 637, the gentleman from Tennessee (Mr. TANNER) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from Tennessee (Mr. TANNER).

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

Mr. Speaker, the Democratic substitute recognizes the good public policy behind extending the 10 percent bracket. We believe that. But we also believe, unlike the majority, that it is irresponsible to do so by borrowing another \$218 billion.

Let me talk a minute about why we say that. I do not believe that people in this country know exactly how fast the balance sheet of our Nation is deteriorating. I do not believe people in this country have focused on or realize what has happened over the last 36 months or so. I am going to try to lay that out today in this debate.

Mr. Speaker, we now owe collectively, all 290 million of us, over \$7 trillion. We have borrowed an additional \$280 billion so far this year. The majority approach is to borrow another \$218 billion today with the passage of this bill.

The gentleman just said if you do not vote for this bill, you are going to raise taxes on 23 million people. If you do vote for the bill, you are going to raise taxes on 290 million people, because every American in this land is responsible for the mortgages that have been placed on our country over the last 36 months.

□ 1200

Mr. Speaker, it is heartbreaking to see the financial integrity of our country compromised like it has been. I would just like to know how far we are willing to go to sign the names of these young people that are sitting around here on this board today with a green light as a mortgage, a further mortgage on our country. I want the people of this country to realize that right now we owe collectively, in hard money, about \$4 trillion. Foreign interests now own 37 percent of that debt. Mainland China alone holds over \$200 billion. It is now the second largest buyer of our debt, exceeded only by the Japanese, who hold over \$600 billion.

Secretary Snow was before the Committee on Ways and Means some time ago and I asked him the question, how do you characterize interest? He said, it is an obligation of this country. It must be paid. It must be paid off the top.

Mr. Speaker, when we are borrowing this kind of money and it is being financed by foreign interests, right now, we have awakened to suddenly realize that the biggest foreign aid package in this Congress is interest checks that we are sending to foreign countries. Not only are we doing that, but we are leveraging our country to people who may not see eye to eye with us on how the world ought to be.

Anyway, getting back to Mr. Snow, I asked him, what about interest? He said, it has to be paid. It has to be paid off the top. I said, it has to be paid first. He said, let me just say this: As

a percentage of GDP, gross domestic product, this is not out of line historically.

The problem that he did not tell us is, when it was this far out of line before, it was Americans that were buying the bills, notes, and bonds. It was not the Saudis, the Japanese, the Chinese. We can go down the line. I have the list here.

How much we owe right now: Japan, \$607 billion; China, \$145 billion; plus Hong Kong, another 60 billion; so over \$200 billion. The U.K., \$137 billion; Taiwan, \$50 billion; Germany, \$45 billion; OPEC, OPEC, \$43 billion; Switzerland, \$41 billion; Korea, \$37 billion; Mexico, \$32 billion; Luxembourg, \$26 billion; Canada, \$25 billion; Singapore, and the list goes on and on.

This Congress and this administration is hocking our country to foreign investors.

Let me say that again, because I do not think people realize and understand what is happening here. Since 2002, the debt ceiling has had to be raised \$450 billion. In July of 2002, a \$980 billion increase the last Fourth of July, that is \$1.4 trillion so far. Do my colleagues know what that means? That means every day since George Bush took office, when we have had a one-party government, White House, Senate and House, the Republicans have borrowed \$1.1 billion a day, every day.

Now, we, all of us, have to pay interest on that, and anybody who is within the sound of my voice under 50 years of age ought to be so concerned about this that they would write or call or do something. Because we are literally squandering the wealth of this country by not paying for tax cuts and increasing spending on the war, and mentioning the war, the only people being asked to sacrifice anything right now are the men and women in uniform and their families. None of the rest of us are being asked to sacrifice anything to defeat the war on terrorism. In fact, we are told to take a tax cut if you are my age, and if things get bad enough, go shopping. This is the Alice in Wonderland that is going on here.

This bill is a good idea, but it is just a symptom of a far greater problem, and that is the breathtaking, breathtaking fiscal irresponsibility that is going on here in this town.

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

Mr. RYAN of Wisconsin. Mr. Speaker, I rise in opposition to the substitute

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Wisconsin (Mr. RYAN) is recognized for 30 minutes.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield 4 minutes to the gentleman from Florida (Mr. SHAW).

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

I want to point out something in the substitute which I am not sure has really been brought to the attention or brought to rise here in this particular

debate, and that is on the fourth page of the substitute. I will read starting at line 3: "Congress meets the requirements of this subsection," and that it is talking about the deduction, "if before September 1, 2010, Congress has enacted comprehensive Federal budget legislation; and, 2, the Director of the Office of Management and Budget certifies in September of 2010 that such legislation will result in a balanced Federal budget by fiscal year 2014, determined by taking into account the cost of the foregoing provisions of this Act and without taking into account the receipts and disbursements of the Social Security and Medicare Trust Funds."

And then B, "will permit the general fund of the Treasury to repay amounts previously borrowed from Social Security and Medicare Trust Funds without requiring large Federal foreign Central Bank purchases."

Now, I am not sure exactly what they are getting to on this, but if they think that the Congress is going to have to pay back all of the money that it has borrowed from Social Security and put cash into that particular fund, in other words, by putting cash in the Social Security fund in place of the Treasury bills, I do not know where in the world they think they are going to get that much money. And they also are going to have to change the law regarding Social Security, because Social Security is required to pay that cash into the general fund and to replace it with Treasury bills, and this particular legislation does not change that provision.

But most of all, and I think the most damaging thing here which this Congress should be very jealously protecting, and that is the legislative authority under the Constitution given to this particular body. If this bill were passed, and if Members vote for this bill, they are saying the Office of Management and Budget is going to be the crossing guard that is going to prevent legislation going forward unless they say it is fine and they can certify that the budget is going to be balanced.

A balanced budget is a good thing, but delegating legislative authority to unelected officials, bureaucrats within the Federal Government, is a huge mistake, and it is something that we should do in a bipartisan way, and that is jealously guard what our responsibility is under the Constitution. I do not know of any other place that we have delegated such authority.

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

Mr. SHAW. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I think the gentleman certainly makes a point that we do not want to delegate to the executive branch. I think the gentleman makes a good point: We ought not to delegate.

Mr. SHAW. Mr. Speaker, I thank the gentleman. I should probably reclaim my time at this particular point.

Mr. HOYER. Of course, the gentleman knows something else is coming.

Mr. SHAW. I know the gentleman is setting me up.

Mr. HOYER. My good friend knows me well.

The fact of the matter is we have been debating for some time the way we can internally, Congress can control this spending, and reaching what the gentleman says is a good thing, a balanced budget. And that, of course, is doing what we did all through the 1990s: applying the pay-as-you-go provision to both revenues and taxes, which is the discipline that this body placed on itself so we did not have to rely on the executive branch.

Mr. SHAW. Mr. Speaker, reclaiming my time, I do not believe that the pay-go is looking towards the Office of Management and Budget as having to certify things before we do it.

Mr. HOYER. Absolutely, that is my point. And if the gentleman would support pay-as-you-go, perhaps we would not have to look to other ways to try to get to balance.

Mr. SHAW. Mr. Speaker, I can see both sides of pay-go, but I cannot see both sides of delegating legislative authority to the executive branch no matter who controls the executive branch.

Mr. TANNER. Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me 1 minute.

The gentleman from Tennessee called it Alice in Wonderland. I, a few minutes ago, called it irrational exuberance. And when we look at the bottom-line facts, not what projections are, because, by the way, 3 years ago it was projected that we would have a \$5.6 trillion surplus, not deficits. When we look at the bottom-line facts, we are in some real trouble. Interest rates, which is really the determiner of whether or not Americans have more money in their pocket or not, have gone up in the last 2 months alone about a point, 1 percentage rate.

What does that mean? Well, if you have a mortgage of about \$200,000, 30-year rate, fixed, not flexible and not one that goes up and down, you are probably going to pay about, on that \$200,000 mortgage, you are going to pay about \$120 more per month now. That means at the end of the year, you are some \$1,500 more out of pocket, and over the life of that 30-year loan, about \$43,000. That is the cost of seeing an economy that is not fiscally righting.

Finally, one last point. That same business section page that said, "U.S. trade deficit grows unchecked" has an interesting story at the bottom part: "MCI awards \$8.1 million severance." A gentleman who worked for 7 months for MCI WorldCom, which was in bankruptcy, was paid \$8.1 million plus \$400,000 more for vacation and so forth, severance, paid for 7 months work at

the same time they are planning to announce that they are planning to trim their workforce by 12,000 people. Irrational exuberance.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just bring three points up in respect to this substitute. Number one, my colleague from Florida sort of outlined the convoluted pay-for in this bill which will render this tax cut temporary, not permanent, by giving the decision whether or not to keep this tax cut permanent to some accountants at the Office of Management and Budget, to in 2010 speculate what is going to happen in 2014 to make sure that the tax cut becomes permanent. This is another way of saying this is a temporary tax cut, meaning they are going to increase this 10 percent bracket again.

The second point I think is important to make, they try to pay for their substitute with a tax increase. Now, what they will tell us is it is a tax increase on rich people, individuals making over 500 grand, couples making over \$1 million. What they will not tell us, Mr. Speaker, is that half of those filers are small businesses. Half of those people are subchapter S corporations, partnerships, small businesses.

Mr. Speaker, small businesses create 70 percent of our jobs. Before the tax cuts that just passed last July, in this country we were taxing small businesses at a higher tax rate than we taxed the largest corporations of America. We finally now are in a fair, level playing field where we tax small businesses at the same tax rate that we tax large corporations. But they want to undo that.

They want small businesses, small mom-and-pop businesses who bring in revenues of \$1 million or more, who maybe have 2 employees, 10 employees, 50 employees, to pay a higher tax rate than IBM, than Exxon, than Global Crossing, or WorldCom. That is wrong. I think that is unjust and unfair, yet they want to return to the days of taxing small businesses at higher tax rates than large corporations.

The third point is the way that they structure their Alternative Minimum Tax relief. Now, this is an issue where I think and hope we can get good bipartisan support to fix this problem. We hear from both sides of the aisle that AMT is a problem and we have to fix it. Just last week we passed a bill to make sure that no new people fell into the trap of the AMT while we figure out at the Treasury Department and here in Congress how to really fix this mess, and I hope that we really do have bipartisan support to fix this mess.

But the way they structure it in this bill means that taxpayers are going to have to calculate their taxes three times in order to navigate their way out of the Alternative Minimum Tax. The Alternative Minimum Tax brings a lot of complexity to the Tax Code for taxpayers. This substitute makes it

more complex, more difficult to comply with. That is not the right direction, so I urge a no vote on this substitute.

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

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

Mr. Speaker, before I yield to the gentleman from Maryland (Mr. HOYER), I would like to say as far as the delegation to OMB, that was done under pay-go, it is a way of scoring, and if we do not have any other, I guess, arguments against the merits of the bill, they bring up procedural matters. I understand that.

I would also like to say, with the rate adjustment that we have in our bill, only 165,000 returns out of 32.8 million small business returns would be affected. That is less than one-half of 1 percent.

Mr. Speaker, I yield 7 minutes to the gentleman from Maryland (Mr. HOYER), the minority whip.

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me this time. I really could take 30 minutes to try to correct what the gentleman from Wisconsin has been saying.

First of all, he is a very bright young man. I like him. And it is your money, he says. Now, that is the mantra, and that mantra I have heard for 20-plus years. And, of course, it is your money. And by the way, it is my money, too. I pay more taxes effectively than the Vice President of the United States, who made almost 10 times as much as I make, but I am not poor-mouthing that. And, by the way, the gentleman talks about these large corporations. They do not really care what the rate is because, as we notice, I say to the gentleman, 60 percent of them do not pay any taxes because of their preference items.

□ 1215

An aside that the Republican majority has made the Tax Code extraordinarily more complicated over the last 3½ years, extraordinarily more complicated over the last 3½ years, let me call to my friend, the gentleman from Wisconsin (Mr. RYAN), some facts.

A, Mr. Arney said you own this town. You have the President, you have the Senate, you have the House. Now, I have been here a lot longer than the gentleman from Wisconsin (Mr. RYAN).

He talks about debt. Under Ronald Reagan, we raised the debt level 17 times. Under George Bush, the first, in 4 years we raised the debt limit 10 times. Under this President, we have raised the debt limit by \$1.5 trillion over 3 years. Over 8 years, under President Clinton we raised the debt limit five times for \$1.58 trillion. The difference, however, is that under Ronald Reagan and George Bush, the first, we added about \$2 trillion to the debt. Under this President, we have added about \$1.5 trillion to the debt, and under Bill Clinton, over 8 years, less

debt and net \$79 billion worth of debt, not trillions, net. Why? Because for 4 years of the last 4 years of the Clinton administration we created surpluses.

Secondly, the gentleman and all the Republicans talk about it is spending that is the problem. The gentleman from Wisconsin (Mr. RYAN) says that spending is the problem. I would like to have the gentleman's attention because I know he is going to find these figures very edifying and interesting because he talked about spending, that is a legitimate issue to raise; and I want to call the gentleman's attention to the administration's budget numbers.

We have it from 1962 to today. Under Ronald Reagan's Presidency, a, we spent 22.5 percent of GDP on average, some years higher, some years a little lower, under Ronald Reagan, never below 21 percent. Let me remind my colleagues that not a penny was spent in America during Ronald Reagan's term of office without his signature, not one. We never overrode a veto. The Democrats never imposed spending that the President did not sign off, not once. So we understand nondefense discretionary spending was 3.4 percent under Ronald Reagan.

Under George Bush, the first, it was 21.9 percent of GDP. Again, he never had a bill veto overridden stopping spending. He signed every nickel of that expenditure, 3.3 percent on non-defense discretionary spending.

Under George Bush, the second, we have done 19.85, almost 20 percent, and 3.5 percent, Dick Arney, they control this town, 3.5 percent of that was on nondefense discretionary spending. I will tell my friend from Wisconsin this fact is going to amaze him. We spent less GDP under Clinton for 8 years and we spent less on discretionary spending, less on discretionary spending, and I heard the gentlewoman from Tennessee about an hour ago saying we have created 1 million jobs since last August. We created 23 million jobs in 8 years or about 4 million a year on average under Bill Clinton.

So, when we are talking about the facts, we ought to know the facts because the facts belie what the gentleman from Wisconsin is proposing. That is why we are here, because we believe my colleagues' policy is not only fiscally wrong but it is also immoral. My friends on the Republican side want to create the impression that they are the only ones who support this 10 percent bracket. They are not. We want to make it permanent, but we do not want to impose a tax.

He talked about various people who are going to get tax increases. Under their bill, 290 million Americans are going to get a tax increase, but guess what. They will not get it immediately. We are going to delay it a little bit, not only past the next election but maybe past a couple of elections after that. Why? Because interest rates are going to go up, taxes are going to go up to pay the interest on this debt

that my colleagues are creating, over \$200 billion of additional debt in this bill alone.

That is all we are saying. We are for this policy. We are for keeping this 10 percent bracket. We want to assist those at the bottom rungs in our society, build themselves up, grow their families, have a better opportunity to pay for the education of their children and their mortgage payments and buy their cars and have a better quality of life. We want that, but we do not want to give them a bill for it 10 years from now that says guess what, you have got a big interest that you have got to pay.

I would urge my colleagues to look at the facts. Look at what we did under a piece of legislation passed in 1993, one passed in 1990 and, yes, one passed in a bipartisan way in 1997, which led to the creation of surpluses.

Let me close by this, and I do not have as much time as I would like, but Chairman Greenspan said just the other day, who is not a Democrat, "Our fiscal prospects are, in my judgment, a significant obstacle to long-term stability because the budget deficit is not readily subject to correction by market forces that stabilize other imbalances. The free lunch has still to be invented."

Vote for this substitute. My colleagues will vote for the policy and responsible fiscal policy at the same time.

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself 30 seconds.

I will not go through tit for tat on all of that. Only to say that now that our Chairman Greenspan was invoked, he also said in that same speech that the first thing we should do is make these tax cuts permanent because they really help achieve the economic recovery we have underway right now.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. BLUNT), the majority whip.

Mr. BLUNT. Mr. Speaker, I thank the gentleman for yielding me the time, and I am pleased to follow my good friend, the gentleman from Maryland (Mr. HOYER), to the floor to debate this issue. I am predicting that when we get to the vote on the bill that the gentleman from Wisconsin (Mr. RYAN) has been talking about on the floor today that the vote will be overwhelming.

I heard the word "immoral" used as it related to this proposal. I did not quite understand that; but however my colleagues want to characterize this proposal, in the final vote today, I think that the vote will be overwhelming, and we will make this 10 percent bracket a permanent part of the Tax Code.

It is an important addition to the Tax Code. I personally am of the view that we make a mistake when we eliminate people totally from tax responsibility, and we should look for ways not to eliminate people from the tax rolls, but to make that tax burden

for all Americans as small as we possibly can. It is better you value what you pay for. We have all been part of that talking about how we are going to eliminate people totally from the tax rolls. This really allows more people to pay taxes, but to pay at a lower level.

When we reach the point in this country when we have more people who do not pay taxes than people who do pay taxes, and we are pretty close to that number right now, we really begin to change the debate on taxing and spending policies because not even a majority are paying taxes. I think it is a good idea to have this smaller bracket, to have it a permanent part of the introduction of the Tax Code. I would not even mind to see if we had a bracket just a little bit smaller than this one eventually, and so I do hope we make it permanent there.

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

Mr. BLUNT. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, because I understand what the gentleman is saying, I think it is important to note that every working person in America pays taxes. We call it FICA tax, and 50 percent of Americans pay more FICA tax than they do, but we are using, as the gentleman knows, part of their taxes because there is a surplus in the Social Security account for general expenditures. So in that sense, the overwhelming majority of employees are paying.

Mr. BLUNT. Mr. Speaker, people who are working pay into those funds, that is a good point; and I am pleased that my friend made it.

At the same time, it does not minimize my point that those people who only pay into the Social Security fund do not have the same stake in the income tax system and how it works than people who do not. I am glad to see us making it more possible for people to have a smaller tax burden at the lower levels of people who pay taxes in the country. I think that is a good thing.

I think the 10 percent bracket and making this 10 percent bracket a permanent part of the tax structure is not only what we should do but what the House will vote to do today. I would like to see that happen on the other side of the building as well, and we will encourage that by sending this legislation over.

The 10 percent bracket in the substitute does have conditions still in it and because of those conditions is not as permanent as the proposal that we have before us in the main bill. Because of this 10 percent bracket, if we did away with the 10 percent bracket, 73 million working Americans would pay higher taxes next year than they paid this year because we would not have the 10 percent bracket available then next year. Seventy-three million Americans would pay higher taxes because of that.

Unless the House acts, 22 million lower-income workers would be pushed

from the 10 percent bracket into the 15 percent bracket. We do not want to see that happen.

This is an important step in the right direction. I urge my colleagues not only to defeat the substitute, which does not accept the permanency of this important addition to our tax policies, but to vote for the bill.

Mr. TANNER. Mr. Speaker, before I yield to the gentleman from Texas, I would just like to say it does make it permanent, but there are conditions.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. STENHOLM), my friend.

Mr. STENHOLM. Mr. Speaker, I thank my friend for yielding me the time, and this debate is not about whether we should provide tax relief to middle-class families. Every Member of this body supports that general principle.

The debate, though, is whether we should do so with borrowed money on top of the \$7.1 trillion that we already owe. I personally do not believe we should pay for tax cuts by borrowing money against our children's future. That is why I support the Tanner substitute, which will extend the 10 percent tax bracket without increasing the deficit.

This debate today is really about PAYGO, and I appreciate the fact the majority side does not want to go back to pay-as-you-go. They have made that very, very clear; and I am sorry that the majority whip left the floor because I was a little disappointed in some of what he was saying last week when we had a little change of vote by a few folks on the pay-as-you-go, and it was inferred to the majority side, those who have been voting with us on pay-as-you-go, that this bill and the same one we will vote on in a few minutes or later today on pay-as-you-go was different than that that was paid in 1997.

It is not different, and in fact, today once again the majority will make it very clear that they do not wish to go to pay-as-you-go government, that they are perfectly willing to borrow any amount of money, any amount of money in order to continue to implement their economic game plan, which I will submit is not working, and it will only take a year or two before it will be proven, when we will see the largest tax increases in the history of our country being implemented, called the debt tax because we cannot borrow \$8 trillion and not have somebody pay for it; and 4 percent interest on \$8 trillion is \$320 billion, and a 1 percent increase in any 1 year will increase the debt tax by \$80 billion.

My colleagues can keep wishing that away and they can keep coming up with red herrings like the three reasons why my colleagues should oppose this, and my good friend who has been here for the same 25 years I have been from Florida brings up OMB. He knows that that is standard language that we use, they use, constantly use. It has always been used that way.

Let us assume for just a moment he is right and you will come back and say, no, that is not right. I would share with the gentleman talking about AMT relief, I believe we can find a way to have bipartisan cooperation to fix that. We can have bipartisan agreement on how to fix the OMB and delegating our authority from this body.

What it seems we cannot fix, though, is pay-as-you-go. There seems to be some reluctance in this body. It used to be my colleagues voted with me on this issue. In fact, it took Democrats to pass it because there were not enough Republicans when all of them were voting for pay-as-you-go to pass anything, and some of us were voting with my colleagues or they with us, and we got it done. What was the result? A balanced budget for our country, and all of the sudden that balanced budget is gone out the window.

The Tanner substitute says we are not opposed to cutting taxes.

□ 1230

We are not increasing taxes with this amendment. That is a red herring, and folks on this side know better than to stand on this floor and say that it is.

What the underlying bill that everybody is going to vote for theoretically, I wish they were not, I wish they would vote for the substitute because it is a better bill. It does exactly what we want done. The only thing it does not do is borrow another \$50 billion. Now, I think we have an obligation to ensure that future generations will be able to meet our commitments to Social Security and Medicare before we lock in reductions on revenue. My friends on the other side do not believe that anymore, and that is fine. That is a legitimate political position, and you are taking it over and over and over again. Fine. Just assume the responsibility for that.

The Tanner substitute tells the President and the Congress we have to start making some tough choices. You bring up a tax cut a week. You make these statements, send out these press releases, et cetera. That is wonderful. But the baby boomers are out there. They are about to begin retiring, reaching age 62 in 2008. And to lock in the lack of revenue to cover the obligations for them is not a good decision in my book.

Let me remind everyone, we are fighting a war, a war that has already cost us \$150 billion and is costing another \$4 billion a month, and we come to this body and we argue about how much we are going to reduce the amount of money that we have available to see that the troops gets the material, the protection, the armaments that they need to fight the war. We argue about how we are going to reduce that amount of money and shortchange them.

This is an amazing place, Mr. Speaker. Amazing how individuals can vote one way 4 or 5 years ago and vote another way today and explain it both

ways. But that is exactly what the majority, all of the majority that were here in 1997, are doing. And by opposing the Tanner substitute, you are really opposing pay as you go.

I urge a vote for the Tanner substitute, and I will be one of those opposing borrowing another \$50 billion without applying pay as you go.

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

What this debate is all about is the financial balance sheet of our country. As I said in my opening statement, this bill is just a symptom of a far greater problem.

I really, honestly do not believe the people of this country realize when bills like this are passed, unpaid for, all of those green lights that go up there are in effect putting a \$218 billion, in this case, mortgage, another mortgage on our country in all of their names; because these Members who are going to vote for it are not going to pay it, and I think that is wrong.

But it goes beyond that. It is now a national security matter, as I discussed earlier. When one realizes that 70 percent of the deficit, \$370 billion deficit last year, was financed by foreign interests, they are gaining leverage every day on this country.

My grandfather told me one time, he said, John, it is easier to foreclose a man's house than it is to shoot your way in the front door. Now, you think about that. China is not always going to see the world the same as we do. Neither are the Japanese. Neither are any of these other countries around the world, because they have their own interests that they must see to. And when we are depending on foreign interests to finance record deficits, we are acting irresponsibly when it comes to the national security of this country. I firmly believe that. That is number one.

Number two, again, I do not think people understand that since President Bush took office, and we have had virtually a one-party government in this country, they have borrowed \$1.1 billion every day. Now, if one were running a private enterprise like that, the stockholders would fire them, or they would be in Chapter 11 bankruptcy. The only difference is, with government, we can continue to borrow on the good faith and credit of the American economy.

But let me get back to this foreign thing, because I think that really is something that people can understand. Did you realize that a former official of the People's Bank of China, the country's central bank in Beijing, and now an economist in Hong Kong was recently quoted in the Washington Post as saying the U.S. dollar is now at the mercy of Asian governments? In the London Financial Times I read where Europe is incredibly worried about the fiscal irresponsibility of our country.

I just did some figuring. Just so far this year we have already written interest checks of over \$100 billion, just

in the first 7 months. That is \$14 billion in interest a month this year. Said another way, we are spending \$475 million a day on interest, every day. Since we started this debate a while ago, we have since spent \$20 million in the last hour on interest. That is \$330,000 a minute or \$5,550 a second that we are spending on interest for which this country gets no health care, no education, no military, no anything that will enable private enterprise to grow, flourish and create jobs.

They say, well, you know, if we can just keep cutting taxes, the economy is going to grow. Under that theory, if you abolished all taxes, the country would be filthy rich. Somebody has to pay at some point a minimum level of taxes to buy aircraft carriers, to buy tanks, to buy body armor. I think the gentleman from Texas (Mr. STENHOLM) said the free lunch is still being invented, and one cannot continue to reduce revenue, increase spending, borrow it all, and not expect to see a financial Armageddon down the line. How far down the line, I do not know. I know this: It is much closer today than it was when I got here 16 years ago.

And I know this: that the Chinese particularly will not continue to buy our paper at a relatively low rate of return to hold their yen, their currency, artificially low so they can kill us on the trade deficit. I know that that will not continue forever. And I know that sometime in the future, whether it is OPEC, Asia, or whomever, they are not going to view the world the same way we do. And by our actions here today, and again this is just a symptom of a far greater problem, by our utter refusal to ask Americans to either cut back or to pay for what we are getting, we are putting this country in real, clear and present danger with this foreign holding business.

I do not know how else to put it. I must tell you, this is not going to go away, and it is going to get worse with every passing day because we are now paying interest on interest. There is not a reputable economist that I know that does not say that our country is now in a structural deficit. This is not cyclical, where we have a recession. We are now in a structural deficit. The budget they presented, is \$500 billion in the red this year, and they say, well, we are going to cut that in half in 5 years. But they borrow another trillion dollars under their game plan, which is the best they can do. At 5 percent, another trillion dollars is a tax increase on 290 million people of \$50 billion a year every year.

Now, that is just on 1 trillion. They have already run through that, and now almost at \$1.5 trillion at \$1.1 billion a day. This is financial madness. And so when my friends complain about spending, the Republicans have controlled the House for the last 9½ years. The Democrats have not spent one thin dime. We do not have the votes to spend any money. We cannot

spend any money, we do not control anything, the Committee on Appropriations, nothing. So when my colleagues talk about spending, I suggest they look in the mirror. You guys are the ones spending all the money. We do not have the votes.

So I just tell you, Mr. Speaker, our country is engaged in a death spiral financially. If we were in an airplane, unless we did something different, we are going to hit the ground. We cannot continue to do this. This bill may be good intentioned, but this substitute says, look, we have to pay for it. We have asked the top .02 percent of the people in this country to help us do that. I do not think that is too much to ask.

I had a friend who had an eighth-grade education. He was an old World War II guy who went out on his own and he made it big. I asked him one time, I said, John, what do you want to do in your life? He said I have two goals, two financial goals. I said, what are they? He said, the first one is I want to owe the bank \$5 million. I said, that is crazy, man. He said, no, it is not, because if they will let me have \$5 million, that means they think I have got 10. And he said, the other thing I want to do is I want to pay \$1 million a year in income tax, because that means I made 3. And if this country allowed me, with an eighth-grade education to make \$3 million a year, you bet I will be glad to pay a million for that privilege of living in this great land that I have known and I want to leave to my children.

What we are doing now is doing violence to what that man was willing to do coming out of World War II with an eighth-grade education. I just beg and implore people to think about this and let us see if we cannot work somehow together. I know you are going to mortgage the country for another \$218 billion in a minute, but surely we can do better than this. This is an outrage to the future of this country and it is an outrage to those who came before us.

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

Mr. RYAN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume to close.

Well, where to begin? Well, we have seen a lot of revisionist history practiced on the floor today during this debate. I think it is important to look at what this country has faced in the last few years.

What happened to this country? Well, in 2001 the President was sworn into office and we were going into a recession. What we found on September 11 of 2001 was that we were on the precipice of going into a recession. It looked inevitable that we were going to have a recession, but maybe we were going to pull out of it. But 9/11 put us into that recession.

We went into a recession where our revenues to this country dive-bombed. But what happened after that? Then we

found some people were crooked in the boardrooms of America, and we had corporate scandal after corporate scandal after corporate scandal. And what happened? We went deeper into recession and our revenues plummeted. Because we saw that Americans' faith in the corporations of America, because of the Enron scandal, the Global Crossing scandal, and the WorldCom scandal, shook the foundation of our enterprise system.

What happened also at that time? Well, Mr. Speaker, we were engaged in war in response to 9/11. We had to spend more money because we had a war in Afghanistan, we had a Department of Homeland Security to try to make ourselves harder targets to hit, to play better defense in the war on terrorism. That costs money. The fundamental and first responsibility of the Federal Government is to protect the safety and security of the American people. In post 9/11 government, that means we had to spend more money on security.

So, yes, spending went up. Spending went up, I would argue, for a very important reason. And, you know what? Revenues went down. They went down because we went into a recession, we got deeper into a recession with 9/11, and we got still lower revenues and a worse recession because of these corporate scandals.

But the great story in all of this, Mr. Speaker, is the incredible resiliency of the American worker, of the American citizen, of the American economy. The American economy is rebounding from all of that. Most times in America you get hit with one of these calamities, a war, an act of terrorism, or a recession, but they happened all at the same time in this country. And what is so wonderful about this is how well we have responded to it.

Now, yes, spending went up, the debt obviously went up, and revenues went down. But the good story in all of this, Mr. Speaker, is that in large part because of the tax cuts that passed, that helped ignite this economic recovery, and we are working and growing ourselves out of this. Now, we have many problems that clearly need solving. We are still involved in a war and we see that on other TV sets every day. We still have a lot of people who need work. But it is a wonderful thing that more than a million people found work since last August. It is even better that about 300,000 people found work last month.

□ 1245

Mr. Speaker, we still have challenges, and that is why we are seeing what is coming to the floor this week, all of these pieces of legislation to try and get this economy back on its feet, to get people their jobs back.

One of the things we are focusing on just this week and the next 7 weeks in the House of Representatives is to do things to make it so we are more competitive in the global economy. We look at what it takes to get jobs in this

economy. How do we bring the lagging manufacturing sector back on its feet? When we look at the problems facing the competitiveness of the American company, we look at the problems facing the competitiveness of the American worker, taxes, number one; health care costs, number two; regulatory costs; litigation costs with lawsuits; and energy costs.

What is this Congress doing? Well, we had a comprehensive energy policy brought through the House of Representatives to bring down the cost of energy and make us less dependent on foreign sources of energy; filibustered in the other body. Regulatory reform, we are bringing a whole week's worth of legislation down to the floor in a matter of days to work on reducing the cost of regulations. Tort reform, we have passed tort reform bill after tort reform bill after tort reform bill. Class action reform, medical liability reform, all being filibustered in the other body.

What are we doing about taxes? This is an area where this Congress has produced because we have been able to get these bills passed through the other body and signed into law by the President. So we see this recovery under way.

One of the areas where this recovery has really rebound is in small businesses. As I mentioned earlier, small businesses create 70 percent of the jobs we have in America. Small manufacturers in America today pay higher taxes than our competitors overseas, especially China and India. We have to make our small manufacturers more competitive.

What this substitute does is it takes away the very policy that is igniting this economic recovery. It puts taxes on small businesses. More importantly, if we fail to pass this underlying legislation, it will put higher taxes on low-income workers. I mentioned earlier that over half of all taxpayers hit by the surtax in the Tanner substitute are small businesses. I misspoke. Seventy-five percent of all taxpayers hit by this surtax report small business income, sole proprietorships, partnerships, men and women in America who are putting their own capital at risk to start a small business, to hire people and bring them back to work. That is the engine of economic growth that is fueling this recovery.

Why on Earth we want to hit these people, the creators of jobs in America, with a new high tax to try to pay for a temporary tax cut which we are making permanent in the base bill is beyond me.

Now, it is important that Members note the differences in philosophy here. By raising taxes, as a vote against this bill will do, takes the pressure off the need to reduce spending. If we always go for the old answer of let us just raise taxes, let us allow taxes to go back up, raise taxes on small businesses, that will bring in more revenue to the government, possibly. Possibly.

But what it for sure will do is take pressure off the Congress and our Federal Government to cut spending. We want to cut spending. I think the gentleman from Tennessee (Mr. TANNER) was right when he said we could have done a better job over the last 8 to 9 years in cutting spending. I very much agree with that. I think we can do a better job; but what is also important to say, which was left out, over these 8 or 9 years, in passing the spending bills we have passed in this Congress, they have always done so by defeating higher spending increases that have been proposed time after time from the other side of the aisle.

So, Mr. Speaker, what this is about is ensuring the recovery continues, making sure that 23 million low-income Americans and 73 million taxpayers do not see a big tax increase next year. What this is about is making sure that the pressure is put on Congress in the right way, not raising taxes, but keeping taxes low and cutting spending. That is the emphasis that is placed in this bill. That is what we are voting for here.

I urge my colleagues to vote "no" against the Tanner tax increase substitute and vote "yes" for the base bill so that 23 million low-income Americans can see this tax relief in reality for the rest of their lives and so that the rest can make sure they are not going to wake up next year with a big tax increase.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am deeply disturbed by the fact that once again this body is forced to engage in a debate on the merits of a truly irresponsible fiscal policy. No doubt that this debate will go back and forth between those who will demand tax cuts and those who will be against them, but one fact is undisputable, if we adopt H.R. 4275 in its original form then our national deficit will grow even larger. Maybe the Members on the other side of the aisle can live with an enormous national deficit that grows larger by the day, but I surely cannot.

This is why I am in full support of the Rangel Substitute which offers a responsible way to extend the 10-percent individual income tax rate bracket. Under the Rangel Substitute, these middle-class tax cuts actually benefit the middle class. I know it might shock my colleagues on the other side of the aisle that there could be tax cuts that might actually help Americans who are not in the top 1 percent of income earners. I'm sure we will hear the argument that the richest of Americans need tax cuts because they are the ones who will invest back in America, but I have yet to see the logic come to fruition. What I see is a deficit that is expected to exceed last year's record deficit by at least \$60 billion—and to total at least \$2 trillion over the coming decade—and yet here we are again on the floor of this legislative body on the verge of passing even more tax cuts that have no offset. H.R. 4275 in its original form will add another \$218 billion that will have to be paid for by future generations. I'm sure the millionaires of today will enjoy their additional tax cuts, I'm sure they'll spend their savings wisely, but meanwhile their good fortune is coming at the expense of a future generation of Americans, many of

whom are not even born yet. The good fortune that American millionaires enjoy today will be a burden on those yet unborn Americans in the form of exponentially higher taxes and higher interest rates. This phantom menace that will burden future Americans can truly be called a "birth tax." My colleagues from the other side of the aisle can talk for days about the unfairness of higher taxes for today's millionaires, but all the talking in the world can not change the fact that this irresponsible tax policy is most unfair to those Americans who don't yet even have a voice to make their opinion known.

There is no doubt that the proponents of H.R. 4275 will make the argument that this legislation will put more money back in the pockets of hard working Americans, but the truth is far from their tired rhetoric. The truth of H.R. 4275 in its original form is that it excludes far more average Americans than it actually helps. This proposed legislation denies the tax cut to any household on the Alternative Minimum Tax (AMT). There will be 33 million households by 2010 that will be on the AMT, those 33 million households make up one-third of all taxpayers and they would receive absolutely no benefit from this proposal. By 2010, almost half of AMT taxpayers would be households in the \$50,000 to \$100,000 gross income range. Now I ask, does this sound like legislation that truly benefits America's middle class? Too many average Americans are not seeing a benefit; instead they are being fed a steady diet of misinformation and irresponsible policies. The Rangel substitute addresses all these loopholes that allows so many Americans to fall through the cracks and not receive real tax relief.

The Rangel Substitute is the only legislation currently on the floor that offers the full and true version of the 10-percent bracket and it does so while still being fiscally responsible. Plain and simple, the Rangel Substitute is the only legislation that will actually help middle-class Americans as the sponsors of H.R. 4275 purport to do. I am certain my colleagues from the other side of the aisle will vote against the Rangel Substitute because God forbid that Americans who are millionaires might get a few thousand dollars less in tax cuts in order to help other Americans who actually need a tax cut. That's where the crux of this debate on taxes is, Republicans will talk endlessly on the need for tax cuts that benefit the richest Americans and the richest businesses, but I can not argue against that more strenuously. Lower and middle-class Americans need a tax cut, America's small businesses need and deserve a tax cut. The truly sad fact is that we can provide this relief to Americans who need it and we can do it without handcuffing future generations with a large national deficit, but the majority party in this body refuses to accept that solution. The Rangel Substitute puts money back in the pockets of middle-class Americans by making a minute adjustment to the tax rate for households that earn over \$1 million a year. This rate adjustment leaves these millionaire households with annual tax cuts which will still well exceed \$100,000 per year. How much more money do millionaires need? Meanwhile, lower and middle class Americans are struggling to both make a living and have savings for the future, maybe to buy a home or to send their children to college. This gross inequity in our current tax structure between millionaires and average Americans

is just appalling. I urge all my colleagues to vote for the Rangel Substitute and I appeal to the Members on the other side of the aisle, that if you really care for average Americans as you say you do, then the only sensible option you have is to vote the Rangel Substitute. Extending tax relief for middle-class Americans is an admirable goal, but creating irresponsible legislation like H.R. 4275 is not.

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

The SPEAKER pro tempore (Mr. SIMPSON). All time for debate on the amendment has expired.

Pursuant to House Resolution 637, the previous question is ordered on the bill and on the amendment offered by the gentleman from Tennessee (Mr. TANNER).

The question is on the amendment in the nature of a substitute offered by the gentleman from Tennessee (Mr. TANNER).

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 190, nays 227, not voting 16, as follows:

[Roll No. 169]  
YEAS—190

Abercrombie	Doggett	Langevin
Ackerman	Dooley (CA)	Lantos
Allen	Doyle	Larsen (WA)
Andrews	Edwards	Larson (CT)
Baca	Emanuel	Lee
Baird	Engel	Levin
Baldwin	Eshoo	Lipinski
Ballance	Etheridge	Lofgren
Becerra	Evans	Lowey
Bell	Farr	Lucas (KY)
Berkley	Pattah	Lynch
Berman	Ford	Maloney
Berry	Frank (MA)	Markey
Bishop (GA)	Frost	Matsui
Bishop (NY)	Gephardt	McCarthy (MO)
Blumenauer	Gonzalez	McCarthy (NY)
Boswell	Gordon	McCollum
Boucher	Green (TX)	McDermott
Boyd	Grijalva	McGovern
Brady (PA)	Gutierrez	McIntyre
Brown (OH)	Harman	McNulty
Brown, Corrine	Hastings (FL)	Meehan
Capps	Hefley	Meek (FL)
Capuano	Hill	Meeks (NY)
Cardin	Hinchee	Menendez
Cardoza	Hinojosa	Michaud
Carson (IN)	Hoeffel	Millender-
Case	Holden	McDonald
Clay	Holt	Miller (NC)
Clyburn	Honda	Miller, George
Conyers	Hoyer	Moore
Cooper	Inslee	Moran (VA)
Costello	Jackson (IL)	Nadler
Crowley	Jackson-Lee	Napolitano
Cummings	(TX)	Neal (MA)
Davis (AL)	Jefferson	Oberstar
Davis (CA)	John	Obey
Davis (FL)	Johnson, E. B.	Olver
Davis (IL)	Jones (OH)	Ortiz
Davis (TN)	Kaptur	Owens
DeFazio	Kennedy (RI)	Pallone
DeGette	Kildee	Pascrell
Delahunt	Kilpatrick	Pastor
DeLauro	Kind	Payne
Deutsch	Kleczka	Pelosi
Dicks	Kucinich	Peterson (MN)
Dingell	Lampson	Pomeroy

Price (NC)	Serrano	Towns
Rahall	Sherman	Turner (TX)
Rangel	Skelton	Udall (CO)
Rodriguez	Slaughter	Udall (NM)
Ross	Smith (WA)	Van Hollen
Rothman	Snyder	Velázquez
Roybal-Allard	Solis	Visclosky
Ruppersberger	Spratt	Waters
Rush	Stark	Watson
Ryan (OH)	Stenholm	Watt
Sabo	Strickland	Waxman
Sánchez, Linda	Stupak	Weiner
T.	Tanner	Wexler
Sanchez, Loretta	Tauscher	Woolsey
Sanders	Taylor (MS)	Wu
Schakowsky	Thompson (CA)	Wynn
Schiff	Thompson (MS)	
Scott (VA)	Tierney	

NAYS—227

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

NOT VOTING—16

Blunt	Hulshof	Scott (GA)
Capito	Israel	Shadegg
Deal (GA)	Lewis (GA)	Tauzin
DeMint	Majette	Young (AK)
Filner	Quinn	
Goss	Reyes	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1312

Mr. FARR and Mr. PAYNE changed their vote from “nay” to “yea.”

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FILNER. Mr. Speaker, on rollcall No. 169, I was attending to official business in my congressional district, and I missed the vote. Had I been present, I would have voted “aye.”

Stated against:

Mr. GOSS. Mr. Speaker, on rollcall No. 169, Tanner amendment in nature of substitute, had I been present, I would have voted “no.”

The SPEAKER pro tempore. The question is on the 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.

The 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.

RECORDED VOTE

Mr. RYAN of Wisconsin. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this 15-minute vote on passage will be followed by a 5-minute vote on the motion to instruct conferees on Senate Concurrent Resolution 95.

The vote was taken by electronic device, and there were—ayes 344, noes 76, not voting 13, as follows:

[Roll No. 170]

AYES—344

Ackerman	Bonilla	Case
Aderholt	Bonner	Castle
Akin	Bono	Chabot
Alexander	Boozman	Chandler
Allen	Boswell	Chocola
Baca	Boucher	Clay
Bachus	Boyd	Clyburn
Baird	Bradley (NH)	Coble
Baker	Brady (TX)	Cole
Baldwin	Brown (OH)	Collins
Ballenger	Brown (SC)	Costello
Barrett (SC)	Brown, Corrine	Cox
Bartlett (MD)	Brown-Waite,	Cramer
Barton (TX)	Ginny	Crane
Bass	Burgess	Crenshaw
Beauprez	Burns	Crowley
Bell	Burr	Cubin
Bereuter	Burton (IN)	Culberson
Berkley	Buyer	Cunningham
Berman	Calvert	Davis (AL)
Biggert	Camp	Davis (CA)
Bilirakis	Cannon	Davis (TN)
Bishop (GA)	Cantor	Davis, Jo Ann
Bishop (NY)	Capito	Davis, Tom
Bishop (UT)	Capuano	DeFazio
Blackburn	Cardin	Delahunt
Blunt	Cardoza	DeLauro
Boehlerlert	Carson (OK)	DeLay
Boehner	Carter	Deutsch

Diaz-Balart, L.	King (IA)	Pomeroy
Diaz-Balart, M.	King (NY)	Porter
Dooley (CA)	Kingston	Portman
Doolittle	Kirk	Price (NC)
Dreier	Kleczka	Pryce (OH)
Duncan	Kline	Putnam
Dunn	Knollenberg	Radanovich
Edwards	Kolbe	Rahall
Ehlers	LaHood	Ramstad
Emerson	Lampson	Regula
Engel	Langevin	Rehberg
English	Lantos	Renzi
Eshoo	Larson (CT)	Reynolds
Etheridge	Latham	Rodriguez
Everett	LaTourette	Rogers (AL)
Farr	Leach	Rogers (KY)
Feeeny	Levin	Rogers (MI)
Ferguson	Lewis (CA)	Rohrabacher
Flake	Lewis (KY)	Ros-Lehtinen
Foley	Linder	Ross
Forbes	Lipinski	Rothman
Ford	LoBiondo	Royce
Fossella	Lofgren	Rush
Franks (AZ)	Lowe	Ryan (OH)
Frelinghuysen	Lucas (KY)	Ryan (WI)
Frost	Lucas (OK)	Ryun (KS)
Gallegly	Lynch	Sabo
Garrett (NJ)	Maloney	Sanders
Gephardt	Manzullo	Sandlin
Gerlach	Markey	Saxton
Gibbons	Marshall	Schiff
Gilchrest	Matheson	Schrock
Gillmor	Matsui	Sensenbrenner
Gingrey	McCarthy (NY)	Sessions
Gonzalez	McCollum	Shaw
Goode	McCotter	Shays
Goodlatte	McCrary	Sherwood
Gordon	McHugh	Shimkus
Granger	McInnis	Shuster
Graves	McIntyre	Simmons
Green (TX)	McKeon	Simpson
Green (WI)	McNulty	Skelton
Greenwood	Meehan	Slaughter
Gutierrez	MEEK (FL)	Smith (MI)
Gutknecht	MEEKS (NY)	Smith (NJ)
Hall	Mica	Smith (TX)
Harman	Michaud	Snyder
Harris	Millender-	Souder
Hart	McDonald	Spratt
Hastings (WA)	Miller (FL)	Stearns
Hayes	Miller (MI)	Strickland
Hayworth	Miller (NC)	Stupak
Hefley	Miller, Gary	Sullivan
Hefner	Miller, George	Sweeney
Hensarling	Moore	Tancredo
Herger	Moran (KS)	Tauscher
Hinojosa	Moran (VA)	Taylor (NC)
Hobson	Murphy	Terry
Hoefel	Musgrave	Thomas
Hoekstra	Myrick	Thompson (MS)
Holden	Nadler	Thornberry
Honda	Nethercutt	Tiahrt
Hoolley (OR)	Neugebauer	Tiberi
Hostettler	Ney	Toomey
Hunter	Northup	Turner (OH)
Hyde	Norwood	Udall (CO)
Isakson	Nunes	Udall (NM)
Issa	Nussle	Upton
Istook	Oberstar	Van Hollen
Jackson-Lee	Obey	Vitter
(TX)	Ortiz	Walden (OR)
Jenkins	Osborne	Walsh
John	Ose	Wamp
Johnson (CT)	Otter	Weiner
Johnson (IL)	Owens	Weldon (FL)
Johnson, E. B.	Oxley	Weldon (PA)
Johnson, Sam	Paul	Weller
Jones (NC)	Pearce	Whitfield
Jones (OH)	Pence	Wicker
Kaptur	Peterson (MN)	Wilson (NM)
Keller	Peterson (PA)	Wilson (SC)
Kelly	Petri	Wolf
Kennedy (MN)	Pickering	Wu
Kennedy (RI)	Pitts	Wynn
Kildee	Platts	Young (AK)
Kilpatrick	Pombo	Young (FL)
Kind		

NOES—76

Abercrombie	Cooper	Fattah
Andrews	Cummings	Frank (MA)
Ballance	Davis (FL)	Grijalva
Becerra	Davis (IL)	Hastings (FL)
Berry	DeGette	Hill
Blumenauer	Dicks	Hinchee
Brady (PA)	Dingell	Holt
Capps	Doggett	Houghton
Carson (IN)	Doyle	Hoyer
Conyers	Emanuel	Inslee

Jackson (IL)	Pastor	Stenholm
Jefferson	Payne	Tanner
Kanjorski	Pelosi	Taylor (MS)
Kucinich	Rangel	Thompson (CA)
Larsen (WA)	Roybal-Allard	Tierney
Lee	Ruppersberger	Towns
McCarthy (MO)	Sánchez, Linda	Turner (TX)
McDermott	T.	Velázquez
McGovern	Sánchez, Loretta	Visclosky
Menendez	Schakowsky	Waters
Mollohan	Scott (VA)	Watson
Murtha	Serrano	Watt
Napolitano	Sherman	Waxman
Neal (MA)	Smith (WA)	Wexler
Pallone	Solis	Woolsey
Pascrell	Stark	

NOT VOTING—13

Deal (GA)	Israel	Scott (GA)
DeMint	Lewis (GA)	Shadegg
Filner	Majette	Tauzin
Goss	Quinn	
Hulshof	Reyes	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1330

Ms. WATERS, Ms. LINDA T. SANCHEZ of California, Ms. MCCARTHY of Missouri, and Mr. CUMMINGS changed their vote from “aye” to “no.”

Mr. RUSH and Mr. WELLER changed their vote from “no” to “aye.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GOSS. Mr. Speaker, on rollcall No. 170, final passage of H.R. 4275, had I been present, I would have voted “aye.”

Mr. FILNER. Mr. Speaker, on rollcall No. 170, I was attending to official business in my congressional district, and I missed the vote. Had I been present, I would have voted “aye.”

GENERAL LEAVE

Mr. RYAN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill, H.R. 4275.

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

There was no objection.

MOTION TO INSTRUCT CONFEREES ON S. CON. RES. 95, CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2005

The SPEAKER pro tempore. The unfinished business is the question on the motion to instruct conferees on Senate Concurrent Resolution 95.

The Clerk will designate the motion.

The Clerk designated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct conferees offered by the gentleman from North Dakota (Mr. POMEROY) 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 207, nays 211, not voting 15, as follows:

[Roll No. 171]

## YEAS—207

Abercrombie  
Ackerman  
Alexander  
Allen  
Andrews  
Baca  
Baird  
Baldwin  
Ballance  
Bass  
Becerra  
Bell  
Bereuter  
Berkley  
Berman  
Berry  
Bishop (GA)  
Bishop (NY)  
Blumenauer  
Boswell  
Boucher  
Boyd  
Brady (PA)  
Brown (OH)  
Brown, Corrine  
Capps  
Capuano  
Cardin  
Cardoza  
Carson (IN)  
Carson (OK)  
Case  
Castle  
Chandler  
Clay  
Clyburn  
Conyers  
Cooper  
Costello  
Cramer  
Crowley  
Cummins  
Davis (AL)  
Davis (CA)  
Davis (FL)  
Davis (IL)  
Davis (TN)  
DeFazio  
DeGette  
DeLahunt  
DeLauro  
Deutsch  
Dicks  
Dingell  
Doggett  
Dooley (CA)  
Doyle  
Edwards  
Emanuel  
Engel  
Eshoo  
Etheridge  
Evans  
Farr  
Fattah  
Ford  
Frank (MA)  
Frost  
Gephardt  
Gonzalez

Gordon  
Green (TX)  
Greenwood  
Grijalva  
Gutiérrez  
Harman  
Hastings (FL)  
Hill  
Hinchey  
Hinojosa  
Hoeffel  
Holden  
Holt  
Honda  
Hooley (OR)  
Hoyer  
Inslie  
Jackson (IL)  
Jackson-Lee  
(TX)  
Jefferson  
John  
Johnson, E. B.  
Jones (OH)  
Kanjorski  
Kaptur  
Kennedy (RI)  
Kildee  
Kilpatrick  
Kind  
Kleczka  
Kolbe  
Kucinich  
Lampson  
Langevin  
Lantos  
Larsen (WA)  
Larson (CT)  
Leach  
Lee  
Levin  
Lipinski  
Lofgren  
Lowey  
Lucas (KY)  
Lynch  
Maloney  
Markey  
Marshall  
Matheson  
Matsui  
McCarthy (MO)  
McCarthy (NY)  
McCollum  
McDermott  
McGovern  
McIntyre  
McNulty  
Meehan  
Meek (FL)  
Meeks (NY)  
Menendez  
Michaud  
Millender-  
McDonald  
Miller (NC)  
Miller, George  
Mollohan  
Moore  
Moran (VA)

Nadler  
Napolitano  
Neal (MA)  
Oberstar  
Obey  
Olver  
Ortiz  
Owens  
Pallone  
Pascarell  
Pastor  
Payne  
Pelosi  
Peterson (MN)  
Pomeroy  
Price (NC)  
Rahall  
Rangel  
Rodríguez  
Ross  
Rothman  
Roybal-Allard  
Ruppersberger  
Rush  
Jones (OH)  
Ryan (OH)  
Sabo  
Sánchez, Linda  
T.  
Sanchez, Loretta  
Sanders  
Sandlin  
Schakowsky  
Schiff  
Scott (VA)  
Serrano  
Shays  
Sherman  
Skelton  
Slaughter  
Smith (WA)  
Snyder  
Solis  
Spratt  
Stark  
Stenholm  
Strickland  
Stupak  
Tanner  
Tauscher  
Taylor (MS)  
Thompson (CA)  
Thompson (MS)  
Tierney  
Towns  
Turner (TX)  
Udall (CO)  
Udall (NM)  
Upton  
Van Hollen  
Velázquez  
Visclosky  
Waters  
Watson  
Watt  
Waxman  
Weiner  
Wexler  
Woolsey  
Wu  
Wynn

## NAYS—211

Aderholt  
Akin  
Bachus  
Baker  
Ballenger  
Barrett (SC)  
Bartlett (MD)  
Barton (TX)  
Beauprez  
Biggart  
Bilirakis  
Bishop (UT)  
Blackburn  
Blunt  
Boehlert  
Boehner  
Bonilla  
Bonner  
Bono  
Boozman  
Bradley (NH)  
Brady (TX)  
Brown (SC)

Brown-Waite,  
Ginny  
Burgess  
Burns  
Burr  
Burton (IN)  
Buyer  
Calvert  
Camp  
Cannon  
Cantor  
Capito  
Carter  
Chabot  
Choccola  
Coble  
Cole  
Collins  
Cox  
Crane  
Crenshaw  
Cubin  
Culberson  
Cunningham

Davis, Jo Ann  
Davis, Tom  
DeLay  
Diaz-Balart, L.  
Diaz-Balart, M.  
Doolittle  
Dreier  
Duncan  
Dunn  
Ehlers  
Emerson  
English  
Everett  
Feeney  
Ferguson  
Flake  
Foley  
Forbes  
Fossella  
Franks (AZ)  
Frelinghuysen  
Gallegly  
Garrett (NJ)  
Gerlach

Gibbons  
Gilchrest  
Gillmor  
Gingrey  
Goodlatte  
Goss  
Granger  
Graves  
Green (WI)  
Gutknecht  
Hall  
Harris  
Hart  
Hastings (WA)  
Hayes  
Hayworth  
Hefley  
Hensarling  
Herger  
Hobson  
Hoekstra  
Hostettler  
Houghton  
Hunter  
Hyde  
Isakson  
Issa  
Istook  
Jenkins  
Johnson (CT)  
Johnson (IL)  
Johnson, Sam  
Jones (NC)  
Keller  
Kelly  
Kennedy (MN)  
King (NY)  
Kingston  
Kirk  
Kline  
Knollenberg  
LaHood  
LaToum  
LaTourette  
Lewis (CA)  
Lewis (KY)  
Linder

LoBiondo  
Lucas (OK)  
Manzullo  
McCotter  
McCrary  
McHugh  
McInnis  
McKeon  
Mica  
Miller (FL)  
Miller (MI)  
Miller, Gary  
Moran (KS)  
Murphy  
Musgrave  
Myrick  
Nethercutt  
Neugebauer  
Ney  
Northup  
Norwood  
Nunes  
Nussle  
Osborne  
Ose  
Otter  
Oxley  
Paul  
Pearce  
Pence  
Peterson (PA)  
Petri  
Pickering  
Pitts  
Platts  
Pombo  
Porter  
Portman  
Pryce (OH)  
Putnam  
Radanovich  
Ramstad  
Regula  
Rehberg  
Renzi  
Reynolds  
Rogers (AL)

Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Ros-Lehtinen  
Royce  
Ryan (WI)  
Ryun (KS)  
Saxton  
Schrock  
Sensenbrenner  
Sessions  
Shaw  
Sherwood  
Shimkus  
Shuster  
Simmons  
Simpson  
Smith (MI)  
Smith (NJ)  
Smith (TX)  
Souder  
Stearns  
Sullivan  
Sweeney  
Tancredo  
Taylor (NC)  
Terry  
Thomas  
Thornberry  
Tiahrt  
Tiberi  
Toomey  
Turner (OH)  
Vitter  
Walden (OR)  
Walsh  
Wamp  
Weldon (FL)  
Weldon (PA)  
Weller  
Whitfield  
Wicker  
Wilson (NM)  
Wilson (SC)  
Wolf  
Young (AK)  
Young (FL)

## NOT VOTING—15

Deal (GA)  
DeMint  
Finer  
Goode  
Hulshof

Israel  
King (IA)  
Lewis (GA)  
Majette  
Murtha

Quinn  
Reyes  
Scott (GA)  
Shadegg  
Tauzin

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1341

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

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FILNER. Mr. Speaker, on rollcall No. 171, I was attending to official business in my Congressional District, and I missed the vote. Had I been present, I would have voted “aye.”

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING AMENDMENTS TO H.R. 2432, PAPERWORK AND REGULATORY IMPROVEMENTS ACT OF 2003; H.R. 2728, OCCUPATIONAL SAFETY AND HEALTH SMALL BUSINESS DAY IN COURT ACT OF 2004; H.R. 2729, OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION EFFICIENCY ACT OF 2004; H.R. 2730, OCCUPATIONAL SAFETY AND HEALTH INDEPENDENT REVIEW OF OSHA CITATIONS ACT OF 2004; AND H.R. 2731, OCCUPATIONAL SAFETY AND HEALTH SMALL EMPLOYER ACCESS TO JUSTICE ACT OF 2004

Mr. DREIER. Mr. Speaker, the Committee on Rules may meet the week of May 17 to grant a rule which could limit the amendment process for floor consideration of one or more of the following: H.R. 2432, Paperwork and Regulatory Improvements Act of 2003; H.R. 2728, Occupational Safety and Health Small Business Day in Court Act of 2004; H.R. 2729, Occupational Safety and Health Review Commission Efficiency Act of 2004; H.R. 2730, Occupational Safety and Health Independent Review of OSHA Citations Act of 2004; and H.R. 2731, Occupational Safety and Health Small Employer Access to Justice Act of 2004.

Mr. Speaker, any Member wishing to offer an amendment to any of these bills should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Committee on Rules in room H-312 of the Capitol by 11 a.m. on Monday, May 17, 2004.

Members should draft their amendments to the text of H.R. 2432 as reported by the Committee on Government Reform on May 12, which is expected to be filed on Friday, May 14. Members are also advised that the text of H.R. 2432 should be available for their review on the Web site of the Committee on Government Reform and the Committee on Rules today, Thursday, May 13, 2004.

Members should draft their amendments to the texts of H.R. 2728, H.R. 2729, H.R. 2730, and H.R. 2731 as reported by the Committee on Education and the Workforce on May 5, 2004, which will be filed momentarily. Members are also advised that the text of these bills should be available for their review on the Web sites of the Committee on Education and the Workforce and the Committee on Rules today, Thursday, May 13, 2004.

Members should use the Office of Legislative Counsel to ensure that their amendments are drafted in the most appropriate format and should check with the Office of the Parliamentarian to be certain that their amendments comply with the rules of the House.

SMALL BUSINESS HEALTH  
FAIRNESS ACT OF 2004

Mr. BOEHNER. Mr. Speaker, pursuant to House Resolution 638, I call up the bill (H.R. 4281) to amend title I of the Employee Retirement Income Security Act of 1974 to improve access and choice for entrepreneurs with small businesses with respect to medical care for their employees, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to H. Res. 638, the bill is considered read for amendment.

The text of H.R. 4281 is as follows:

H.R. 4281

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

**SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Small Business Health Fairness Act of 2004”.

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

- Sec. 1. Short title and table of contents.
- Sec. 2. Rules governing association health plans.
- Sec. 3. Clarification of treatment of single employer arrangements.
- Sec. 4. Enforcement provisions relating to association health plans.
- Sec. 5. Cooperation between Federal and State authorities.
- Sec. 6. Effective date and transitional and other rules.

**SEC. 2. RULES GOVERNING ASSOCIATION HEALTH PLANS.**

(a) **IN GENERAL.**—Subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended by adding after part 7 the following new part:

**“PART 8—RULES GOVERNING ASSOCIATION HEALTH PLANS**

**“SEC. 801. ASSOCIATION HEALTH PLANS.**

“(a) **IN GENERAL.**—For purposes of this part, the term ‘association health plan’ means a group health plan whose sponsor is (or is deemed under this part to be) described in subsection (b).

“(b) **SPONSORSHIP.**—The sponsor of a group health plan is described in this subsection if such sponsor—

“(1) is organized and maintained in good faith, with a constitution and bylaws specifically stating its purpose and providing for periodic meetings on at least an annual basis, as a bona fide trade association, a bona fide industry association (including a rural electric cooperative association or a rural telephone cooperative association), a bona fide professional association, or a bona fide chamber of commerce (or similar bona fide business association, including a corporation or similar organization that operates on a cooperative basis (within the meaning of section 1381 of the Internal Revenue Code of 1986)), for substantial purposes other than that of obtaining or providing medical care;

“(2) is established as a permanent entity which receives the active support of its members and requires for membership payment on a periodic basis of dues or payments necessary to maintain eligibility for membership in the sponsor; and

“(3) does not condition membership, such dues or payments, or coverage under the plan on the basis of health status-related factors with respect to the employees of its members (or affiliated members), or the de-

pendents of such employees, and does not condition such dues or payments on the basis of group health plan participation.

Any sponsor consisting of an association of entities which meet the requirements of paragraphs (1), (2), and (3) shall be deemed to be a sponsor described in this subsection.

**“SEC. 802. CERTIFICATION OF ASSOCIATION HEALTH PLANS.**

“(a) **IN GENERAL.**—The applicable authority shall prescribe by regulation a procedure under which, subject to subsection (b), the applicable authority shall certify association health plans which apply for certification as meeting the requirements of this part.

“(b) **STANDARDS.**—Under the procedure prescribed pursuant to subsection (a), in the case of an association health plan that provides at least one benefit option which does not consist of health insurance coverage, the applicable authority shall certify such plan as meeting the requirements of this part only if the applicable authority is satisfied that the applicable requirements of this part are met (or, upon the date on which the plan is to commence operations, will be met) with respect to the plan.

“(c) **REQUIREMENTS APPLICABLE TO CERTIFIED PLANS.**—An association health plan with respect to which certification under this part is in effect shall meet the applicable requirements of this part, effective on the date of certification (or, if later, on the date on which the plan is to commence operations).

“(d) **REQUIREMENTS FOR CONTINUED CERTIFICATION.**—The applicable authority may provide by regulation for continued certification of association health plans under this part.

“(e) **CLASS CERTIFICATION FOR FULLY INSURED PLANS.**—The applicable authority shall establish a class certification procedure for association health plans under which all benefits consist of health insurance coverage. Under such procedure, the applicable authority shall provide for the granting of certification under this part to the plans in each class of such association health plans upon appropriate filing under such procedure in connection with plans in such class and payment of the prescribed fee under section 807(a).

“(f) **CERTIFICATION OF SELF-INSURED ASSOCIATION HEALTH PLANS.**—An association health plan which offers one or more benefit options which do not consist of health insurance coverage may be certified under this part only if such plan consists of any of the following:

“(1) a plan which offered such coverage on the date of the enactment of the Small Business Health Fairness Act of 2004,

“(2) a plan under which the sponsor does not restrict membership to one or more trades and businesses or industries and whose eligible participating employers represent a broad cross-section of trades and businesses or industries, or

“(3) a plan whose eligible participating employers represent one or more trades or businesses, or one or more industries, consisting of any of the following: agriculture; equipment and automobile dealerships; barbering and cosmetology; certified public accounting practices; child care; construction; dance, theatrical and orchestra productions; disinfecting and pest control; financial services; fishing; foodservice establishments; hospitals; labor organizations; logging; manufacturing (metals); mining; medical and dental practices; medical laboratories; professional consulting services; sanitary services; transportation (local and freight); warehousing; wholesaling/distributing; or any other trade or business or industry which has been indicated as having average

or above-average risk or health claims experience by reason of State rate filings, denials of coverage, proposed premium rate levels, or other means demonstrated by such plan in accordance with regulations.

**“SEC. 803. REQUIREMENTS RELATING TO SPONSORS AND BOARDS OF TRUSTEES.**

“(a) **SPONSOR.**—The requirements of this subsection are met with respect to an association health plan if the sponsor has met (or is deemed under this part to have met) the requirements of section 801(b) for a continuous period of not less than 3 years ending with the date of the application for certification under this part.

“(b) **BOARD OF TRUSTEES.**—The requirements of this subsection are met with respect to an association health plan if the following requirements are met:

“(1) **FISCAL CONTROL.**—The plan is operated, pursuant to a trust agreement, by a board of trustees which has complete fiscal control over the plan and which is responsible for all operations of the plan.

“(2) **RULES OF OPERATION AND FINANCIAL CONTROLS.**—The board of trustees has in effect rules of operation and financial controls, based on a 3-year plan of operation, adequate to carry out the terms of the plan and to meet all requirements of this title applicable to the plan.

“(3) **RULES GOVERNING RELATIONSHIP TO PARTICIPATING EMPLOYERS AND TO CONTRACTORS.**—

“(A) **BOARD MEMBERSHIP.**—

“(i) **IN GENERAL.**—Except as provided in clauses (ii) and (iii), the members of the board of trustees are individuals selected from individuals who are the owners, officers, directors, or employees of the participating employers or who are partners in the participating employers and actively participate in the business.

“(ii) **LIMITATION.**—

“(I) **GENERAL RULE.**—Except as provided in subclauses (II) and (III), no such member is an owner, officer, director, or employee of, or partner in, a contract administrator or other service provider to the plan.

“(II) **LIMITED EXCEPTION FOR PROVIDERS OF SERVICES SOLELY ON BEHALF OF THE SPONSOR.**—Officers or employees of a sponsor which is a service provider (other than a contract administrator) to the plan may be members of the board if they constitute not more than 25 percent of the membership of the board and they do not provide services to the plan other than on behalf of the sponsor.

“(III) **TREATMENT OF PROVIDERS OF MEDICAL CARE.**—In the case of a sponsor which is an association whose membership consists primarily of providers of medical care, subclause (I) shall not apply in the case of any service provider described in subclause (I) who is a provider of medical care under the plan.

“(iii) **CERTAIN PLANS EXCLUDED.**—Clause (i) shall not apply to an association health plan which is in existence on the date of the enactment of the Small Business Health Fairness Act of 2004.

“(B) **SOLE AUTHORITY.**—The board has sole authority under the plan to approve applications for participation in the plan and to contract with a service provider to administer the day-to-day affairs of the plan.

“(c) **TREATMENT OF FRANCHISE NETWORKS.**—In the case of a group health plan which is established and maintained by a franchiser for a franchise network consisting of its franchisees—

“(1) the requirements of subsection (a) and section 801(a) shall be deemed met if such requirements would otherwise be met if the franchiser were deemed to be the sponsor referred to in section 801(b), such network were deemed to be an association described in section 801(b), and each franchisee were deemed

to be a member (of the association and the sponsor) referred to in section 801(b); and

“(2) the requirements of section 804(a)(1) shall be deemed met.

The Secretary may by regulation define for purposes of this subsection the terms ‘franchiser’, ‘franchise network’, and ‘franchisee’.

**“SEC. 804. PARTICIPATION AND COVERAGE REQUIREMENTS.**

“(a) COVERED EMPLOYERS AND INDIVIDUALS.—The requirements of this subsection are met with respect to an association health plan if, under the terms of the plan—

“(1) each participating employer must be—

“(A) a member of the sponsor,

“(B) the sponsor, or

“(C) an affiliated member of the sponsor with respect to which the requirements of subsection (b) are met,

except that, in the case of a sponsor which is a professional association or other individual-based association, if at least one of the officers, directors, or employees of an employer, or at least one of the individuals who are partners in an employer and who actively participates in the business, is a member or such an affiliated member of the sponsor, participating employers may also include such employer; and

“(2) all individuals commencing coverage under the plan after certification under this part must be—

“(A) active or retired owners (including self-employed individuals), officers, directors, or employees of, or partners in, participating employers; or

“(B) the beneficiaries of individuals described in subparagraph (A).

“(b) COVERAGE OF PREVIOUSLY UNINSURED EMPLOYEES.—In the case of an association health plan in existence on the date of the enactment of the Small Business Health Fairness Act of 2004, an affiliated member of the sponsor of the plan may be offered coverage under the plan as a participating employer only if—

“(1) the affiliated member was an affiliated member on the date of certification under this part; or

“(2) during the 12-month period preceding the date of the offering of such coverage, the affiliated member has not maintained or contributed to a group health plan with respect to any of its employees who would otherwise be eligible to participate in such association health plan.

“(c) INDIVIDUAL MARKET UNAFFECTED.—The requirements of this subsection are met with respect to an association health plan if, under the terms of the plan, no participating employer may provide health insurance coverage in the individual market for any employee not covered under the plan which is similar to the coverage contemporaneously provided to employees of the employer under the plan, if such exclusion of the employee from coverage under the plan is based on a health status-related factor with respect to the employee and such employee would, but for such exclusion on such basis, be eligible for coverage under the plan.

“(d) PROHIBITION OF DISCRIMINATION AGAINST EMPLOYERS AND EMPLOYEES ELIGIBLE TO PARTICIPATE.—The requirements of this subsection are met with respect to an association health plan if—

“(1) under the terms of the plan, all employers meeting the preceding requirements of this section are eligible to qualify as participating employers for all geographically available coverage options, unless, in the case of any such employer, participation or contribution requirements of the type referred to in section 2711 of the Public Health Service Act are not met;

“(2) upon request, any employer eligible to participate is furnished information regard-

ing all coverage options available under the plan; and

“(3) the applicable requirements of sections 701, 702, and 703 are met with respect to the plan.

**“SEC. 805. OTHER REQUIREMENTS RELATING TO PLAN DOCUMENTS, CONTRIBUTION RATES, AND BENEFIT OPTIONS.**

“(a) IN GENERAL.—The requirements of this section are met with respect to an association health plan if the following requirements are met:

“(1) CONTENTS OF GOVERNING INSTRUMENTS.—The instruments governing the plan include a written instrument, meeting the requirements of an instrument required under section 402(a)(1), which—

“(A) provides that the board of trustees serves as the named fiduciary required for plans under section 402(a)(1) and serves in the capacity of a plan administrator (referred to in section 3(16)(A));

“(B) provides that the sponsor of the plan is to serve as plan sponsor (referred to in section 3(16)(B)); and

“(C) incorporates the requirements of section 806.

“(2) CONTRIBUTION RATES MUST BE NON-DISCRIMINATORY.—

“(A) The contribution rates for any participating small employer do not vary on the basis of any health status-related factor in relation to employees of such employer or their beneficiaries and do not vary on the basis of the type of business or industry in which such employer is engaged.

“(B) Nothing in this title or any other provision of law shall be construed to preclude an association health plan, or a health insurance issuer offering health insurance coverage in connection with an association health plan, from—

“(i) setting contribution rates based on the claims experience of the plan; or

“(ii) varying contribution rates for small employers in a State to the extent that such rates could vary using the same methodology employed in such State for regulating premium rates in the small group market with respect to health insurance coverage offered in connection with bona fide associations (within the meaning of section 2791(d)(3) of the Public Health Service Act), subject to the requirements of section 702(b) relating to contribution rates.

“(3) FLOOR FOR NUMBER OF COVERED INDIVIDUALS WITH RESPECT TO CERTAIN PLANS.—If any benefit option under the plan does not consist of health insurance coverage, the plan has as of the beginning of the plan year not fewer than 1,000 participants and beneficiaries.

“(4) MARKETING REQUIREMENTS.—

“(A) IN GENERAL.—If a benefit option which consists of health insurance coverage is offered under the plan, State-licensed insurance agents shall be used to distribute to small employers coverage which does not consist of health insurance coverage in a manner comparable to the manner in which such agents are used to distribute health insurance coverage.

“(B) STATE-LICENSED INSURANCE AGENTS.—For purposes of subparagraph (A), the term ‘State-licensed insurance agents’ means one or more agents who are licensed in a State and are subject to the laws of such State relating to licensure, qualification, testing, examination, and continuing education of persons authorized to offer, sell, or solicit health insurance coverage in such State.

“(5) REGULATORY REQUIREMENTS.—Such other requirements as the applicable authority determines are necessary to carry out the purposes of this part, which shall be prescribed by the applicable authority by regulation.

“(b) ABILITY OF ASSOCIATION HEALTH PLANS TO DESIGN BENEFIT OPTIONS.—Subject to section 514(d), nothing in this part or any provision of State law (as defined in section 514(c)(1)) shall be construed to preclude an association health plan, or a health insurance issuer offering health insurance coverage in connection with an association health plan, from exercising its sole discretion in selecting the specific items and services consisting of medical care to be included as benefits under such plan or coverage, except (subject to section 514) in the case of (1) any law to the extent that it is not preempted under section 731(a)(1) with respect to matters governed by section 711, 712, or 713, or (2) any law of the State with which filing and approval of a policy type offered by the plan was initially obtained to the extent that such law prohibits an exclusion of a specific disease from such coverage.

**“SEC. 806. MAINTENANCE OF RESERVES AND PROVISIONS FOR SOLVENCY FOR PLANS PROVIDING HEALTH BENEFITS IN ADDITION TO HEALTH INSURANCE COVERAGE.**

“(a) IN GENERAL.—The requirements of this section are met with respect to an association health plan if—

“(1) the benefits under the plan consist solely of health insurance coverage; or

“(2) if the plan provides any additional benefit options which do not consist of health insurance coverage, the plan—

“(A) establishes and maintains reserves with respect to such additional benefit options, in amounts recommended by the qualified actuary, consisting of—

“(i) a reserve sufficient for unearned contributions;

“(ii) a reserve sufficient for benefit liabilities which have been incurred, which have not been satisfied, and for which risk of loss has not yet been transferred, and for expected administrative costs with respect to such benefit liabilities;

“(iii) a reserve sufficient for any other obligations of the plan; and

“(iv) a reserve sufficient for a margin of error and other fluctuations, taking into account the specific circumstances of the plan; and

“(B) establishes and maintains aggregate and specific excess /stop loss insurance and solvency indemnification, with respect to such additional benefit options for which risk of loss has not yet been transferred, as follows:

“(i) The plan shall secure aggregate excess /stop loss insurance for the plan with an attachment point which is not greater than 125 percent of expected gross annual claims. The applicable authority may by regulation provide for upward adjustments in the amount of such percentage in specified circumstances in which the plan specifically provides for and maintains reserves in excess of the amounts required under subparagraph (A).

“(ii) The plan shall secure specific excess /stop loss insurance for the plan with an attachment point which is at least equal to an amount recommended by the plan’s qualified actuary. The applicable authority may by regulation provide for adjustments in the amount of such insurance in specified circumstances in which the plan specifically provides for and maintains reserves in excess of the amounts required under subparagraph (A).

“(iii) The plan shall secure indemnification insurance for any claims which the plan is unable to satisfy by reason of a plan termination.

Any person issuing to a plan insurance described in clause (i), (ii), or (iii) of subparagraph (B) shall notify the Secretary of any

failure of premium payment meriting cancellation of the policy prior to undertaking such a cancellation. Any regulations prescribed by the applicable authority pursuant to clause (i) or (ii) of subparagraph (B) may allow for such adjustments in the required levels of excess /stop loss insurance as the qualified actuary may recommend, taking into account the specific circumstances of the plan.

“(b) MINIMUM SURPLUS IN ADDITION TO CLAIMS RESERVES.—In the case of any association health plan described in subsection (a)(2), the requirements of this subsection are met if the plan establishes and maintains surplus in an amount at least equal to—

“(1) \$500,000, or

“(2) such greater amount (but not greater than \$2,000,000) as may be set forth in regulations prescribed by the applicable authority, considering the level of aggregate and specific excess /stop loss insurance provided with respect to such plan and other factors related to solvency risk, such as the plan's projected levels of participation or claims, the nature of the plan's liabilities, and the types of assets available to assure that such liabilities are met.

“(c) ADDITIONAL REQUIREMENTS.—In the case of any association health plan described in subsection (a)(2), the applicable authority may provide such additional requirements relating to reserves, excess /stop loss insurance, and indemnification insurance as the applicable authority considers appropriate. Such requirements may be provided by regulation with respect to any such plan or any class of such plans.

“(d) ADJUSTMENTS FOR EXCESS /STOP LOSS INSURANCE.—The applicable authority may provide for adjustments to the levels of reserves otherwise required under subsections (a) and (b) with respect to any plan or class of plans to take into account excess /stop loss insurance provided with respect to such plan or plans.

“(e) ALTERNATIVE MEANS OF COMPLIANCE.—The applicable authority may permit an association health plan described in subsection (a)(2) to substitute, for all or part of the requirements of this section (except subsection (a)(2)(B)(iii)), such security, guarantee, hold-harmless arrangement, or other financial arrangement as the applicable authority determines to be adequate to enable the plan to fully meet all its financial obligations on a timely basis and is otherwise no less protective of the interests of participants and beneficiaries than the requirements for which it is substituted. The applicable authority may take into account, for purposes of this subsection, evidence provided by the plan or sponsor which demonstrates an assumption of liability with respect to the plan. Such evidence may be in the form of a contract of indemnification, lien, bonding, insurance, letter of credit, recourse under applicable terms of the plan in the form of assessments of participating employers, security, or other financial arrangement.

“(f) MEASURES TO ENSURE CONTINUED PAYMENT OF BENEFITS BY CERTAIN PLANS IN DISTRESS.—

“(1) PAYMENTS BY CERTAIN PLANS TO ASSOCIATION HEALTH PLAN FUND.—

“(A) IN GENERAL.—In the case of an association health plan described in subsection (a)(2), the requirements of this subsection are met if the plan makes payments into the Association Health Plan Fund under this subparagraph when they are due. Such payments shall consist of annual payments in the amount of \$5,000, and, in addition to such annual payments, such supplemental payments as the Secretary may determine to be necessary under paragraph (2). Payments under this paragraph are payable to the Fund at the time determined by the Sec-

retary. Initial payments are due in advance of certification under this part. Payments shall continue to accrue until a plan's assets are distributed pursuant to a termination procedure.

“(B) PENALTIES FOR FAILURE TO MAKE PAYMENTS.—If any payment is not made by a plan when it is due, a late payment charge of not more than 100 percent of the payment which was not timely paid shall be payable by the plan to the Fund.

“(C) CONTINUED DUTY OF THE SECRETARY.—The Secretary shall not cease to carry out the provisions of paragraph (2) on account of the failure of a plan to pay any payment when due.

“(2) PAYMENTS BY SECRETARY TO CONTINUE EXCESS /STOP LOSS INSURANCE COVERAGE AND INDEMNIFICATION INSURANCE COVERAGE FOR CERTAIN PLANS.—In any case in which the applicable authority determines that there is, or that there is reason to believe that there will be: (A) a failure to take necessary corrective actions under section 809(a) with respect to an association health plan described in subsection (a)(2); or (B) a termination of such a plan under section 809(b) or 810(b)(8) (and, if the applicable authority is not the Secretary, certifies such determination to the Secretary), the Secretary shall determine the amounts necessary to make payments to an insurer (designated by the Secretary) to maintain in force excess /stop loss insurance coverage or indemnification insurance coverage for such plan, if the Secretary determines that there is a reasonable expectation that, without such payments, claims would not be satisfied by reason of termination of such coverage. The Secretary shall, to the extent provided in advance in appropriation Acts, pay such amounts so determined to the insurer designated by the Secretary.

“(3) ASSOCIATION HEALTH PLAN FUND.—

“(A) IN GENERAL.—There is established on the books of the Treasury a fund to be known as the ‘Association Health Plan Fund’. The Fund shall be available for making payments pursuant to paragraph (2). The Fund shall be credited with payments received pursuant to paragraph (1)(A), penalties received pursuant to paragraph (1)(B), and earnings on investments of amounts of the Fund under subparagraph (B).

“(B) INVESTMENT.—Whenever the Secretary determines that the moneys of the fund are in excess of current needs, the Secretary may request the investment of such amounts as the Secretary determines advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

“(g) EXCESS /STOP LOSS INSURANCE.—For purposes of this section—

“(1) AGGREGATE EXCESS /STOP LOSS INSURANCE.—The term ‘aggregate excess /stop loss insurance’ means, in connection with an association health plan, a contract—

“(A) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation) provides for payment to the plan with respect to aggregate claims under the plan in excess of an amount or amounts specified in such contract;

“(B) which is guaranteed renewable; and

“(C) which allows for payment of premiums by any third party on behalf of the insured plan.

“(2) SPECIFIC EXCESS /STOP LOSS INSURANCE.—The term ‘specific excess /stop loss insurance’ means, in connection with an association health plan, a contract—

“(A) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation) provides for payment to the plan with respect to claims under the plan in connection with a covered individual in excess of an amount or

amounts specified in such contract in connection with such covered individual;

“(B) which is guaranteed renewable; and

“(C) which allows for payment of premiums by any third party on behalf of the insured plan.

“(h) INDEMNIFICATION INSURANCE.—For purposes of this section, the term ‘indemnification insurance’ means, in connection with an association health plan, a contract—

“(1) under which an insurer (meeting such minimum standards as the applicable authority may prescribe by regulation) provides for payment to the plan with respect to claims under the plan which the plan is unable to satisfy by reason of a termination pursuant to section 809(b) (relating to mandatory termination);

“(2) which is guaranteed renewable and noncancellable for any reason (except as the applicable authority may prescribe by regulation); and

“(3) which allows for payment of premiums by any third party on behalf of the insured plan.

“(i) RESERVES.—For purposes of this section, the term ‘reserves’ means, in connection with an association health plan, plan assets which meet the fiduciary standards under part 4 and such additional requirements regarding liquidity as the applicable authority may prescribe by regulation.

“(j) SOLVENCY STANDARDS WORKING GROUP.—

“(1) IN GENERAL.—Within 90 days after the date of the enactment of the Small Business Health Fairness Act of 2004, the applicable authority shall establish a Solvency Standards Working Group. In prescribing the initial regulations under this section, the applicable authority shall take into account the recommendations of such Working Group.

“(2) MEMBERSHIP.—The Working Group shall consist of not more than 15 members appointed by the applicable authority. The applicable authority shall include among persons invited to membership on the Working Group at least one of each of the following:

“(A) a representative of the National Association of Insurance Commissioners;

“(B) a representative of the American Academy of Actuaries;

“(C) a representative of the State governments, or their interests;

“(D) a representative of existing self-insured arrangements, or their interests;

“(E) a representative of associations of the type referred to in section 801(b)(1), or their interests; and

“(F) a representative of multiemployer plans that are group health plans, or their interests.

“SEC. 807. REQUIREMENTS FOR APPLICATION AND RELATED REQUIREMENTS.

“(a) FILING FEE.—Under the procedure prescribed pursuant to section 802(a), an association health plan shall pay to the applicable authority at the time of filing an application for certification under this part a filing fee in the amount of \$5,000, which shall be available in the case of the Secretary, to the extent provided in appropriation Acts, for the sole purpose of administering the certification procedures applicable with respect to association health plans.

“(b) INFORMATION TO BE INCLUDED IN APPLICATION FOR CERTIFICATION.—An application for certification under this part meets the requirements of this section only if it includes, in a manner and form which shall be prescribed by the applicable authority by regulation, at least the following information:

“(1) IDENTIFYING INFORMATION.—The names and addresses of—

“(A) the sponsor; and

“(B) the members of the board of trustees of the plan.

“(2) STATES IN WHICH PLAN INTENDS TO DO BUSINESS.—The States in which participants and beneficiaries under the plan are to be located and the number of them expected to be located in each such State.

“(3) BONDING REQUIREMENTS.—Evidence provided by the board of trustees that the bonding requirements of section 412 will be met as of the date of the application or (if later) commencement of operations.

“(4) PLAN DOCUMENTS.—A copy of the documents governing the plan (including any by-laws and trust agreements), the summary plan description, and other material describing the benefits that will be provided to participants and beneficiaries under the plan.

“(5) AGREEMENTS WITH SERVICE PROVIDERS.—A copy of any agreements between the plan and contract administrators and other service providers.

“(6) FUNDING REPORT.—In the case of association health plans providing benefits options in addition to health insurance coverage, a report setting forth information with respect to such additional benefit options determined as of a date within the 120-day period ending with the date of the application, including the following:

“(A) RESERVES.—A statement, certified by the board of trustees of the plan, and a statement of actuarial opinion, signed by a qualified actuary, that all applicable requirements of section 806 are or will be met in accordance with regulations which the applicable authority shall prescribe.

“(B) ADEQUACY OF CONTRIBUTION RATES.—A statement of actuarial opinion, signed by a qualified actuary, which sets forth a description of the extent to which contribution rates are adequate to provide for the payment of all obligations and the maintenance of required reserves under the plan for the 12-month period beginning with such date within such 120-day period, taking into account the expected coverage and experience of the plan. If the contribution rates are not fully adequate, the statement of actuarial opinion shall indicate the extent to which the rates are inadequate and the changes needed to ensure adequacy.

“(C) CURRENT AND PROJECTED VALUE OF ASSETS AND LIABILITIES.—A statement of actuarial opinion signed by a qualified actuary, which sets forth the current value of the assets and liabilities accumulated under the plan and a projection of the assets, liabilities, income, and expenses of the plan for the 12-month period referred to in subparagraph (B). The income statement shall identify separately the plan's administrative expenses and claims.

“(D) COSTS OF COVERAGE TO BE CHARGED AND OTHER EXPENSES.—A statement of the costs of coverage to be charged, including an itemization of amounts for administration, reserves, and other expenses associated with the operation of the plan.

“(E) OTHER INFORMATION.—Any other information as may be determined by the applicable authority, by regulation, as necessary to carry out the purposes of this part.

“(c) FILING NOTICE OF CERTIFICATION WITH STATES.—A certification granted under this part to an association health plan shall not be effective unless written notice of such certification is filed with the applicable State authority of each State in which at least 25 percent of the participants and beneficiaries under the plan are located. For purposes of this subsection, an individual shall be considered to be located in the State in which a known address of such individual is located or in which such individual is employed.

“(d) NOTICE OF MATERIAL CHANGES.—In the case of any association health plan certified under this part, descriptions of material changes in any information which was re-

quired to be submitted with the application for the certification under this part shall be filed in such form and manner as shall be prescribed by the applicable authority by regulation. The applicable authority may require by regulation prior notice of material changes with respect to specified matters which might serve as the basis for suspension or revocation of the certification.

“(e) REPORTING REQUIREMENTS FOR CERTAIN ASSOCIATION HEALTH PLANS.—An association health plan certified under this part which provides benefit options in addition to health insurance coverage for such plan year shall meet the requirements of section 103 by filing an annual report under such section which shall include information described in subsection (b)(6) with respect to the plan year and, notwithstanding section 104(a)(1)(A), shall be filed with the applicable authority not later than 90 days after the close of the plan year (or on such later date as may be prescribed by the applicable authority). The applicable authority may require by regulation such interim reports as it considers appropriate.

“(f) ENGAGEMENT OF QUALIFIED ACTUARY.—The board of trustees of each association health plan which provides benefits options in addition to health insurance coverage and which is applying for certification under this part or is certified under this part shall engage, on behalf of all participants and beneficiaries, a qualified actuary who shall be responsible for the preparation of the materials comprising information necessary to be submitted by a qualified actuary under this part. The qualified actuary shall utilize such assumptions and techniques as are necessary to enable such actuary to form an opinion as to whether the contents of the matters reported under this part—

“(1) are in the aggregate reasonably related to the experience of the plan and to reasonable expectations; and

“(2) represent such actuary's best estimate of anticipated experience under the plan.

The opinion by the qualified actuary shall be made with respect to, and shall be made a part of, the annual report.

**“SEC. 808. NOTICE REQUIREMENTS FOR VOLUNTARY TERMINATION.**

“Except as provided in section 809(b), an association health plan which is or has been certified under this part may terminate (upon or at any time after cessation of accruals in benefit liabilities) only if the board of trustees, not less than 60 days before the proposed termination date—

“(1) provides to the participants and beneficiaries a written notice of intent to terminate stating that such termination is intended and the proposed termination date;

“(2) develops a plan for winding up the affairs of the plan in connection with such termination in a manner which will result in timely payment of all benefits for which the plan is obligated; and

“(3) submits such plan in writing to the applicable authority.

Actions required under this section shall be taken in such form and manner as may be prescribed by the applicable authority by regulation.

**“SEC. 809. CORRECTIVE ACTIONS AND MANDATORY TERMINATION.**

“(a) ACTIONS TO AVOID DEPLETION OF RESERVES.—An association health plan which is certified under this part and which provides benefits other than health insurance coverage shall continue to meet the requirements of section 806, irrespective of whether such certification continues in effect. The board of trustees of such plan shall determine quarterly whether the requirements of section 806 are met. In any case in which the board determines that there is reason to be-

lieve that there is or will be a failure to meet such requirements, or the applicable authority makes such a determination and so notifies the board, the board shall immediately notify the qualified actuary engaged by the plan, and such actuary shall, not later than the end of the next following month, make such recommendations to the board for corrective action as the actuary determines necessary to ensure compliance with section 806. Not later than 30 days after receiving from the actuary recommendations for corrective actions, the board shall notify the applicable authority (in such form and manner as the applicable authority may prescribe by regulation) of such recommendations of the actuary for corrective action, together with a description of the actions (if any) that the board has taken or plans to take in response to such recommendations. The board shall thereafter report to the applicable authority, in such form and frequency as the applicable authority may specify to the board, regarding corrective action taken by the board until the requirements of section 806 are met.

“(b) MANDATORY TERMINATION.—In any case in which—

“(1) the applicable authority has been notified under subsection (a) (or by an issuer of excess/stop loss insurance or indemnity insurance pursuant to section 806(a)) of a failure of an association health plan which is or has been certified under this part and is described in section 806(a)(2) to meet the requirements of section 806 and has not been notified by the board of trustees of the plan that corrective action has restored compliance with such requirements; and

“(2) the applicable authority determines that there is a reasonable expectation that the plan will continue to fail to meet the requirements of section 806,

the board of trustees of the plan shall, at the direction of the applicable authority, terminate the plan and, in the course of the termination, take such actions as the applicable authority may require, including satisfying any claims referred to in section 806(a)(2)(B)(iii) and recovering for the plan any liability under subsection (a)(2)(B)(iii) or (e) of section 806, as necessary to ensure that the affairs of the plan will be, to the maximum extent possible, wound up in a manner which will result in timely provision of all benefits for which the plan is obligated.

**“SEC. 810. TRUSTEESHIP BY THE SECRETARY OF INSOLVENT ASSOCIATION HEALTH PLANS PROVIDING HEALTH BENEFITS IN ADDITION TO HEALTH INSURANCE COVERAGE.**

“(a) APPOINTMENT OF SECRETARY AS TRUSTEE FOR INSOLVENT PLANS.—Whenever the Secretary determines that an association health plan which is or has been certified under this part and which is described in section 806(a)(2) will be unable to provide benefits when due or is otherwise in a financially hazardous condition, as shall be defined by the Secretary by regulation, the Secretary shall, upon notice to the plan, apply to the appropriate United States district court for appointment of the Secretary as trustee to administer the plan for the duration of the insolvency. The plan may appear as a party and other interested persons may intervene in the proceedings at the discretion of the court. The court shall appoint such Secretary trustee if the court determines that the trusteeship is necessary to protect the interests of the participants and beneficiaries or providers of medical care or to avoid any unreasonable deterioration of the financial condition of the plan. The trusteeship of such Secretary shall continue until the conditions described in the first sentence of this subsection are remedied or the plan is terminated.

“(b) POWERS AS TRUSTEE.—The Secretary, upon appointment as trustee under subsection (a), shall have the power—

“(1) to do any act authorized by the plan, this title, or other applicable provisions of law to be done by the plan administrator or any trustee of the plan;

“(2) to require the transfer of all (or any part) of the assets and records of the plan to the Secretary as trustee;

“(3) to invest any assets of the plan which the Secretary holds in accordance with the provisions of the plan, regulations prescribed by the Secretary, and applicable provisions of law;

“(4) to require the sponsor, the plan administrator, any participating employer, and any employee organization representing plan participants to furnish any information with respect to the plan which the Secretary as trustee may reasonably need in order to administer the plan;

“(5) to collect for the plan any amounts due the plan and to recover reasonable expenses of the trusteeship;

“(6) to commence, prosecute, or defend on behalf of the plan any suit or proceeding involving the plan;

“(7) to issue, publish, or file such notices, statements, and reports as may be required by the Secretary by regulation or required by any order of the court;

“(8) to terminate the plan (or provide for its termination in accordance with section 809(b)) and liquidate the plan assets, to restore the plan to the responsibility of the sponsor, or to continue the trusteeship;

“(9) to provide for the enrollment of plan participants and beneficiaries under appropriate coverage options; and

“(10) to do such other acts as may be necessary to comply with this title or any order of the court and to protect the interests of plan participants and beneficiaries and providers of medical care.

“(c) NOTICE OF APPOINTMENT.—As soon as practicable after the Secretary's appointment as trustee, the Secretary shall give notice of such appointment to—

“(1) the sponsor and plan administrator;

“(2) each participant;

“(3) each participating employer; and

“(4) if applicable, each employee organization which, for purposes of collective bargaining, represents plan participants.

“(d) ADDITIONAL DUTIES.—Except to the extent inconsistent with the provisions of this title, or as may be otherwise ordered by the court, the Secretary, upon appointment as trustee under this section, shall be subject to the same duties as those of a trustee under section 704 of title 11, United States Code, and shall have the duties of a fiduciary for purposes of this title.

“(e) OTHER PROCEEDINGS.—An application by the Secretary under this subsection may be filed notwithstanding the pendency in the same or any other court of any bankruptcy, mortgage foreclosure, or equity receivership proceeding, or any proceeding to reorganize, conserve, or liquidate such plan or its property, or any proceeding to enforce a lien against property of the plan.

“(f) JURISDICTION OF COURT.—

“(1) IN GENERAL.—Upon the filing of an application for the appointment as trustee or the issuance of a decree under this section, the court to which the application is made shall have exclusive jurisdiction of the plan involved and its property wherever located with the powers, to the extent consistent with the purposes of this section, of a court of the United States having jurisdiction over cases under chapter 11 of title 11, United States Code. Pending an adjudication under this section such court shall stay, and upon appointment by it of the Secretary as trustee, such court shall continue the stay of, any

pending mortgage foreclosure, equity receivership, or other proceeding to reorganize, conserve, or liquidate the plan, the sponsor, or property of such plan or sponsor, and any other suit against any receiver, conservator, or trustee of the plan, the sponsor, or property of the plan or sponsor. Pending such adjudication and upon the appointment by it of the Secretary as trustee, the court may stay any proceeding to enforce a lien against property of the plan or the sponsor or any other suit against the plan or the sponsor.

“(2) VENUE.—An action under this section may be brought in the judicial district where the sponsor or the plan administrator resides or does business or where any asset of the plan is situated. A district court in which such action is brought may issue process with respect to such action in any other judicial district.

“(g) PERSONNEL.—In accordance with regulations which shall be prescribed by the Secretary, the Secretary shall appoint, retain, and compensate accountants, actuaries, and other professional service personnel as may be necessary in connection with the Secretary's service as trustee under this section.

**“SEC. 811. STATE ASSESSMENT AUTHORITY.**

“(a) IN GENERAL.—Notwithstanding section 514, a State may impose by law a contribution tax on an association health plan described in section 806(a)(2), if the plan commenced operations in such State after the date of the enactment of the Small Business Health Fairness Act of 2004.

“(b) CONTRIBUTION TAX.—For purposes of this section, the term ‘contribution tax’ imposed by a State on an association health plan means any tax imposed by such State if—

“(1) such tax is computed by applying a rate to the amount of premiums or contributions, with respect to individuals covered under the plan who are residents of such State, which are received by the plan from participating employers located in such State or from such individuals;

“(2) the rate of such tax does not exceed the rate of any tax imposed by such State on premiums or contributions received by insurers or health maintenance organizations for health insurance coverage offered in such State in connection with a group health plan;

“(3) such tax is otherwise nondiscriminatory; and

“(4) the amount of any such tax assessed on the plan is reduced by the amount of any tax or assessment otherwise imposed by the State on premiums, contributions, or both received by insurers or health maintenance organizations for health insurance coverage, aggregate excess/stop loss insurance (as defined in section 806(g)(1)), specific excess/stop loss insurance (as defined in section 806(g)(2)), other insurance related to the provision of medical care under the plan, or any combination thereof provided by such insurers or health maintenance organizations in such State in connection with such plan.

**“SEC. 812. DEFINITIONS AND RULES OF CONSTRUCTION.**

“(a) DEFINITIONS.—For purposes of this part—

“(1) GROUP HEALTH PLAN.—The term ‘group health plan’ has the meaning provided in section 733(a)(1) (after applying subsection (b) of this section).

“(2) MEDICAL CARE.—The term ‘medical care’ has the meaning provided in section 733(a)(2).

“(3) HEALTH INSURANCE COVERAGE.—The term ‘health insurance coverage’ has the meaning provided in section 733(b)(1).

“(4) HEALTH INSURANCE ISSUER.—The term ‘health insurance issuer’ has the meaning provided in section 733(b)(2).

“(5) APPLICABLE AUTHORITY.—The term ‘applicable authority’ means the Secretary, except that, in connection with any exercise of the Secretary's authority regarding which the Secretary is required under section 506(d) to consult with a State, such term means the Secretary, in consultation with such State.

“(6) HEALTH STATUS-RELATED FACTOR.—The term ‘health status-related factor’ has the meaning provided in section 733(d)(2).

“(7) INDIVIDUAL MARKET.—

“(A) IN GENERAL.—The term ‘individual market’ means the market for health insurance coverage offered to individuals other than in connection with a group health plan.

“(B) TREATMENT OF VERY SMALL GROUPS.—

“(i) IN GENERAL.—Subject to clause (ii), such term includes coverage offered in connection with a group health plan that has fewer than 2 participants as current employees or participants described in section 732(d)(3) on the first day of the plan year.

“(ii) STATE EXCEPTION.—Clause (i) shall not apply in the case of health insurance coverage offered in a State if such State regulates the coverage described in such clause in the same manner and to the same extent as coverage in the small group market (as defined in section 2791(e)(5) of the Public Health Service Act) is regulated by such State.

“(8) PARTICIPATING EMPLOYER.—The term ‘participating employer’ means, in connection with an association health plan, any employer, if any individual who is an employee of such employer, a partner in such employer, or a self-employed individual who is such employer (or any dependent, as defined under the terms of the plan, of such individual) is or was covered under such plan in connection with the status of such individual as such an employee, partner, or self-employed individual in relation to the plan.

“(9) APPLICABLE STATE AUTHORITY.—The term ‘applicable State authority’ means, with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of title XXVII of the Public Health Service Act for the State involved with respect to such issuer.

“(10) QUALIFIED ACTUARY.—The term ‘qualified actuary’ means an individual who is a member of the American Academy of Actuaries.

“(11) AFFILIATED MEMBER.—The term ‘affiliated member’ means, in connection with a sponsor—

“(A) a person who is otherwise eligible to be a member of the sponsor but who elects an affiliated status with the sponsor,

“(B) in the case of a sponsor with members which consist of associations, a person who is a member of any such association and elects an affiliated status with the sponsor, or

“(C) in the case of an association health plan in existence on the date of the enactment of the Small Business Health Fairness Act of 2004, a person eligible to be a member of the sponsor or one of its member associations.

“(12) LARGE EMPLOYER.—The term ‘large employer’ means, in connection with a group health plan with respect to a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

“(13) SMALL EMPLOYER.—The term ‘small employer’ means, in connection with a group health plan with respect to a plan year, an employer who is not a large employer.

“(b) RULES OF CONSTRUCTION.—

“(1) EMPLOYERS AND EMPLOYEES.—For purposes of determining whether a plan, fund, or

program is an employee welfare benefit plan which is an association health plan, and for purposes of applying this title in connection with such plan, fund, or program so determined to be such an employee welfare benefit plan—

“(A) in the case of a partnership, the term ‘employer’ (as defined in section 3(5)) includes the partnership in relation to the partners, and the term ‘employee’ (as defined in section 3(6)) includes any partner in relation to the partnership; and

“(B) in the case of a self-employed individual, the term ‘employer’ (as defined in section 3(5)) and the term ‘employee’ (as defined in section 3(6)) shall include such individual.

“(2) PLANS, FUNDS, AND PROGRAMS TREATED AS EMPLOYEE WELFARE BENEFIT PLANS.—In the case of any plan, fund, or program which was established or is maintained for the purpose of providing medical care (through the purchase of insurance or otherwise) for employees (or their dependents) covered thereunder and which demonstrates to the Secretary that all requirements for certification under this part would be met with respect to such plan, fund, or program if such plan, fund, or program were a group health plan, such plan, fund, or program shall be treated for purposes of this title as an employee welfare benefit plan on and after the date of such demonstration.”

(b) CONFORMING AMENDMENTS TO PREEMPTION RULES.—

(1) Section 514(b)(6) of such Act (29 U.S.C. 1144(b)(6)) is amended by adding at the end the following new subparagraph:

“(E) The preceding subparagraphs of this paragraph do not apply with respect to any State law in the case of an association health plan which is certified under part 8.”

(2) Section 514 of such Act (29 U.S.C. 1144) is amended—

(A) in subsection (b)(4), by striking “Subsection (a)” and inserting “Subsections (a) and (d)”;

(B) in subsection (b)(5), by striking “subsection (a)” in subparagraph (A) and inserting “subsection (a) of this section and subsections (a)(2)(B) and (b) of section 805”, and by striking “subsection (a)” in subparagraph (B) and inserting “subsection (a) of this section or subsection (a)(2)(B) or (b) of section 805”;

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

(D) by inserting after subsection (c) the following new subsection:

“(d)(1) Except as provided in subsection (b)(4), the provisions of this title shall supersede any and all State laws insofar as they may now or hereafter preclude, or have the effect of precluding, a health insurance issuer from offering health insurance coverage in connection with an association health plan which is certified under part 8.

“(2) Except as provided in paragraphs (4) and (5) of subsection (b) of this section—

“(A) In any case in which health insurance coverage of any policy type is offered under an association health plan certified under part 8 to a participating employer operating in such State, the provisions of this title shall supersede any and all laws of such State insofar as they may preclude a health insurance issuer from offering health insurance coverage of the same policy type to other employers operating in the State which are eligible for coverage under such association health plan, whether or not such other employers are participating employers in such plan.

“(B) In any case in which health insurance coverage of any policy type is offered in a State under an association health plan certified under part 8 and the filing, with the applicable State authority (as defined in sec-

tion 812(a)(9)), of the policy form in connection with such policy type is approved by such State authority, the provisions of this title shall supersede any and all laws of any other State in which health insurance coverage of such type is offered, insofar as they may preclude, upon the filing in the same form and manner of such policy form with the applicable State authority in such other State, the approval of the filing in such other State.

“(3) Nothing in subsection (b)(6)(E) or the preceding provisions of this subsection shall be construed, with respect to health insurance issuers or health insurance coverage, to supersede or impair the law of any State—

“(A) providing solvency standards or similar standards regarding the adequacy of insurer capital, surplus, reserves, or contributions, or

“(B) relating to prompt payment of claims.

“(4) For additional provisions relating to association health plans, see subsections (a)(2)(B) and (b) of section 805.

“(5) For purposes of this subsection, the term ‘association health plan’ has the meaning provided in section 801(a), and the terms ‘health insurance coverage’, ‘participating employer’, and ‘health insurance issuer’ have the meanings provided such terms in section 812, respectively.”

(3) Section 514(b)(6)(A) of such Act (29 U.S.C. 1144(b)(6)(A)) is amended—

(A) in clause (i)(II), by striking “and” at the end;

(B) in clause (ii), by inserting “and which does not provide medical care (within the meaning of section 733(a)(2)),” after “arrangement,” and by striking “title.” and inserting “title, and”;

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

“(iii) subject to subparagraph (E), in the case of any other employee welfare benefit plan which is a multiple employer welfare arrangement and which provides medical care (within the meaning of section 733(a)(2)), any law of any State which regulates insurance may apply.”

(4) Section 514(e) of such Act (as redesignated by paragraph (2)(C)) is amended—

(A) by striking “Nothing” and inserting “(1) Except as provided in paragraph (2), nothing”;

(B) by adding at the end the following new paragraph:

“(2) Nothing in any other provision of law enacted on or after the date of the enactment of the Small Business Health Fairness Act of 2004 shall be construed to alter, amend, modify, invalidate, impair, or supersede any provision of this title, except by specific cross-reference to the affected section.”

(c) PLAN SPONSOR.—Section 3(16)(B) of such Act (29 U.S.C. 102(16)(B)) is amended by adding at the end the following new sentence: “Such term also includes a person serving as the sponsor of an association health plan under part 8.”

(d) DISCLOSURE OF SOLVENCY PROTECTIONS RELATED TO SELF-INSURED AND FULLY INSURED OPTIONS UNDER ASSOCIATION HEALTH PLANS.—Section 102(b) of such Act (29 U.S.C. 102(b)) is amended by adding at the end the following: “An association health plan shall include in its summary plan description, in connection with each benefit option, a description of the form of solvency or guarantee fund protection secured pursuant to this Act or applicable State law, if any.”

(e) SAVINGS CLAUSE.—Section 731(c) of such Act is amended by inserting “or part 8” after “this part”.

(f) REPORT TO THE CONGRESS REGARDING CERTIFICATION OF SELF-INSURED ASSOCIATION HEALTH PLANS.—Not later than January 1, 2009, the Secretary of Labor shall report to

the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate the effect association health plans have had, if any, on reducing the number of uninsured individuals.

(g) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 734 the following new items:

“PART 8—RULES GOVERNING ASSOCIATION HEALTH PLANS

- “801. Association health plans.
- “802. Certification of association health plans.
- “803. Requirements relating to sponsors and boards of trustees.
- “804. Participation and coverage requirements.
- “805. Other requirements relating to plan documents, contribution rates, and benefit options.
- “806. Maintenance of reserves and provisions for solvency for plans providing health benefits in addition to health insurance coverage.
- “807. Requirements for application and related requirements.
- “808. Notice requirements for voluntary termination.
- “809. Corrective actions and mandatory termination.
- “810. Trusteeship by the Secretary of insolvent association health plans providing health benefits in addition to health insurance coverage.
- “811. State assessment authority.
- “812. Definitions and rules of construction.”

SEC. 3. CLARIFICATION OF TREATMENT OF SINGLE EMPLOYER ARRANGEMENTS.

Section 3(40)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(40)(B)) is amended—

(1) in clause (i), by inserting after “control group,” the following: “except that, in any case in which the benefit referred to in subparagraph (A) consists of medical care (as defined in section 812(a)(2)), two or more trades or businesses, whether or not incorporated, shall be deemed a single employer for any plan year of such plan, or any fiscal year of such other arrangement, if such trades or businesses are within the same control group during such year or at any time during the preceding 1-year period.”;

(2) in clause (iii), by striking “(iii) the determination” and inserting the following:

“(iii)(I) in any case in which the benefit referred to in subparagraph (A) consists of medical care (as defined in section 812(a)(2)), the determination of whether a trade or business is under ‘common control’ with another trade or business shall be determined under regulations of the Secretary applying principles consistent and coextensive with the principles applied in determining whether employees of two or more trades or businesses are treated as employed by a single employer under section 4001(b), except that, for purposes of this paragraph, an interest of greater than 25 percent may not be required as the minimum interest necessary for common control, or

“(II) in any other case, the determination”;

(3) by redesignating clauses (iv) and (v) as clauses (v) and (vi), respectively; and

(4) by inserting after clause (iii) the following new clause:

“(iv) in any case in which the benefit referred to in subparagraph (A) consists of medical care (as defined in section 812(a)(2)), in determining, after the application of clause (i), whether benefits are provided to employees of two or more employers, the arrangement shall be treated as having only

one participating employer if, after the application of clause (1), the number of individuals who are employees and former employees of any one participating employer and who are covered under the arrangement is greater than 75 percent of the aggregate number of all individuals who are employees or former employees of participating employers and who are covered under the arrangement.”.

**SEC. 4. ENFORCEMENT PROVISIONS RELATING TO ASSOCIATION HEALTH PLANS.**

(a) **CRIMINAL PENALTIES FOR CERTAIN WILLFUL MISREPRESENTATIONS.**—Section 501 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131) is amended—

(1) by inserting “(a)” after “Sec. 501.”; and

(2) by adding at the end the following new subsection:

“(b) Any person who willfully falsely represents, to any employee, any employee’s beneficiary, any employer, the Secretary, or any State, a plan or other arrangement established or maintained for the purpose of offering or providing any benefit described in section 3(1) to employees or their beneficiaries as—

“(1) being an association health plan which has been certified under part 8;

“(2) having been established or maintained under or pursuant to one or more collective bargaining agreements which are reached pursuant to collective bargaining described in section 8(d) of the National Labor Relations Act (29 U.S.C. 158(d)) or paragraph Fourth of section 2 of the Railway Labor Act (45 U.S.C. 152, paragraph Fourth) or which are reached pursuant to labor-management negotiations under similar provisions of State public employee relations laws; or

“(3) being a plan or arrangement described in section 3(40)(A)(i),

shall, upon conviction, be imprisoned not more than 5 years, be fined under title 18, United States Code, or both.”.

(b) **CEASE ACTIVITIES ORDERS.**—Section 502 of such Act (29 U.S.C. 1132) is amended by adding at the end the following new subsection:

“(n) **ASSOCIATION HEALTH PLAN CEASE AND DESIST ORDERS.**—

“(1) **IN GENERAL.**—Subject to paragraph (2), upon application by the Secretary showing the operation, promotion, or marketing of an association health plan (or similar arrangement providing benefits consisting of medical care (as defined in section 733(a)(2))) that—

“(A) is not certified under part 8, is subject under section 514(b)(6) to the insurance laws of any State in which the plan or arrangement offers or provides benefits, and is not licensed, registered, or otherwise approved under the insurance laws of such State; or

“(B) is an association health plan certified under part 8 and is not operating in accordance with the requirements under part 8 for such certification,

a district court of the United States shall enter an order requiring that the plan or arrangement cease activities.

“(2) **EXCEPTION.**—Paragraph (1) shall not apply in the case of an association health plan or other arrangement if the plan or arrangement shows that—

“(A) all benefits under it referred to in paragraph (1) consist of health insurance coverage; and

“(B) with respect to each State in which the plan or arrangement offers or provides benefits, the plan or arrangement is operating in accordance with applicable State laws that are not superseded under section 514.

“(3) **ADDITIONAL EQUITABLE RELIEF.**—The court may grant such additional equitable relief, including any relief available under

this title, as it deems necessary to protect the interests of the public and of persons having claims for benefits against the plan.”.

(c) **RESPONSIBILITY FOR CLAIMS PROCEDURE.**—Section 503 of such Act (29 U.S.C. 1133) is amended by inserting “(a) **IN GENERAL.**—” before “In accordance”, and by adding at the end the following new subsection:

“(b) **ASSOCIATION HEALTH PLANS.**—The terms of each association health plan which is or has been certified under part 8 shall require the board of trustees or the named fiduciary (as applicable) to ensure that the requirements of this section are met in connection with claims filed under the plan.”.

**SEC. 5. COOPERATION BETWEEN FEDERAL AND STATE AUTHORITIES.**

Section 506 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1136) is amended by adding at the end the following new subsection:

“(d) **CONSULTATION WITH STATES WITH RESPECT TO ASSOCIATION HEALTH PLANS.**—

“(1) **AGREEMENTS WITH STATES.**—The Secretary shall consult with the State recognized under paragraph (2) with respect to an association health plan regarding the exercise of—

“(A) the Secretary’s authority under sections 502 and 504 to enforce the requirements for certification under part 8; and

“(B) the Secretary’s authority to certify association health plans under part 8 in accordance with regulations of the Secretary applicable to certification under part 8.

“(2) **RECOGNITION OF PRIMARY DOMICILE STATE.**—In carrying out paragraph (1), the Secretary shall ensure that only one State will be recognized, with respect to any particular association health plan, as the State with which consultation is required. In carrying out this paragraph—

“(A) in the case of a plan which provides health insurance coverage (as defined in section 812(a)(3)), such State shall be the State with which filing and approval of a policy type offered by the plan was initially obtained, and

“(B) in any other case, the Secretary shall take into account the places of residence of the participants and beneficiaries under the plan and the State in which the trust is maintained.”.

**SEC. 6. EFFECTIVE DATE AND TRANSITIONAL AND OTHER RULES.**

(a) **EFFECTIVE DATE.**—The amendments made by this Act shall take effect one year after the date of the enactment of this Act. The Secretary of Labor shall first issue all regulations necessary to carry out the amendments made by this Act within one year after the date of the enactment of this Act.

(b) **TREATMENT OF CERTAIN EXISTING HEALTH BENEFITS PROGRAMS.**—

(1) **IN GENERAL.**—In any case in which, as of the date of the enactment of this Act, an arrangement is maintained in a State for the purpose of providing benefits consisting of medical care for the employees and beneficiaries of its participating employers, at least 200 participating employers make contributions to such arrangement, such arrangement has been in existence for at least 10 years, and such arrangement is licensed under the laws of one or more States to provide such benefits to its participating employers, upon the filing with the applicable authority (as defined in section 812(a)(5) of the Employee Retirement Income Security Act of 1974 (as amended by this subtitle)) by the arrangement of an application for certification of the arrangement under part 8 of subtitle B of title I of such Act—

(A) such arrangement shall be deemed to be a group health plan for purposes of title I of such Act;

(B) the requirements of sections 801(a) and 803(a) of the Employee Retirement Income Security Act of 1974 shall be deemed met with respect to such arrangement;

(C) the requirements of section 803(b) of such Act shall be deemed met, if the arrangement is operated by a board of directors which—

(i) is elected by the participating employers, with each employer having one vote; and

(ii) has complete fiscal control over the arrangement and which is responsible for all operations of the arrangement;

(D) the requirements of section 804(a) of such Act shall be deemed met with respect to such arrangement; and

(E) the arrangement may be certified by any applicable authority with respect to its operations in any State only if it operates in such State on the date of certification.

The provisions of this subsection shall cease to apply with respect to any such arrangement at such time after the date of the enactment of this Act as the applicable requirements of this subsection are not met with respect to such arrangement.

(2) **DEFINITIONS.**—For purposes of this subsection, the terms “group health plan”, “medical care”, and “participating employer” shall have the meanings provided in section 812 of the Employee Retirement Income Security Act of 1974, except that the reference in paragraph (7) of such section to an “association health plan” shall be deemed a reference to an arrangement referred to in this subsection.

The **SPEAKER** pro tempore. After 1 hour of debate on the bill, it shall be in order to consider the amendment printed in part B of House Report 108–484, if offered by the gentleman from Wisconsin (Mr. **KIND**), or his designee, which shall be considered read, and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from Ohio (Mr. **BOEHNER**) and the gentleman from New Jersey (Mr. **ANDREWS**) each will control 30 minutes of debate on the bill.

The Chair recognizes the gentleman from Ohio (Mr. **BOEHNER**).

**GENERAL LEAVE**

Mr. **BOEHNER**. 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. 4281.

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

There was no objection.

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

Mr. Speaker, the most pressing crisis we face in health care today is the number of Americans who lack basic health insurance benefits. It is a problem that can be illustrated by just a few numbers, so let us look at the facts.

The number of uninsured Americans today stands at 43.6 million. This problem is not going to go away, and I think we have a responsibility to confront it.

With health care costs continuing to rise sharply across the country, more and more employers and workers are sharing the burden of increased health care premiums. Employer-based health

insurance premiums jumped by 15 percent on average in 2003, the largest increase in a decade; and, for many small employers, those increases were far larger.

The second number is 60, which represents the percentage of these uninsured working Americans who either work for a small business or are dependent upon someone who does. Many of these Americans work for small employers who cannot afford to purchase quality health insurance benefits for their workers.

Notably, the Census Bureau statistics show that employer-sponsored health coverage has declined because small businesses with less than 25 workers have been forced to drop coverage because of the rising cost of health insurance.

□ 1345

The next number is \$130 billion. Yes, that is right, \$130 billion which represents the annual cost to the citizens of our country of the poor health and premature deaths of individuals without health insurance, according to a study released last year by the Institute of Medicine.

The implications of these numbers I think are tragic. Clearly, we need to focus on providing affordable health care to the uninsured, as well as to ensure employers who provide health benefits to their employees are not forced to drop their coverage because of rising premiums and high administrative costs.

The Small Business Health Fairness Act which we bring to the floor today responds to this problem and can help reduce the high cost of health insurance for small businesses and uninsured workers. By creating association health plans, which would strictly be regulated by the Labor Department, small businesses could pool their resources and increase their bargaining power with benefit providers, which would allow them to negotiate better rates and purchase quality health care for their employees at a lower cost.

President Bush addressed this point directly last year during a speech at the Women's Entrepreneurship Summit, and he said, "Small businesses will be able to pool together and spread their risk across a large employee base. It makes no sense in America to isolate small businesses as little health care islands unto themselves. We must have association health plans."

Well, the President is right, and we should help level this playing field so that small businesses can offer high-quality coverage to their employees.

Americans overwhelmingly agree with President Bush that AHPs are the right approach to helping the uninsured. A recent poll conducted in March reveals that 93 percent of Americans support association health plans as a way of providing access to affordable care for American workers who lack coverage. Media reports from the last few days reveal how large corpora-

tions are now starting to band together to provide health care insurance to their part-time workers. Do not small businesses and their workers deserve this same opportunity?

Importantly, the bill gives AHPs freedom from costly State mandates because small businesses deserve to be treated in the same fashion as large corporations and unions who receive the same type of an exemption. Clearly, these mandates are useless to families who have no health coverage in the first place. And if you do not have health coverage, State mandates requiring health mandates and specific benefits do you and your family no good at all. This measure includes, I believe, strong safeguards to protect workers.

Despite the bipartisan nature of this bill, some misinformation has been spread and I would like to correct it. This measure protects against cherry-picking because we make clear that AHPs must comply with the 1996 Health Insurance Portability and Accountability Act which prohibits group health plans from excluding or charging a higher rate to high-risk individuals with high claims experience. Under our bill, sick or high-risk groups or individuals cannot be denied coverage. In addition, AHPs cannot charge higher rates for employers with sicker individuals within the plan except to the extent already allowed by State law, based on where the employer is located.

The bill also contains strict requirements under which only bona fide professional and trade organizations can sponsor an association health plan and, therefore, does not allow "sham association plans" set up by health insurance companies. These organizations must be established for purposes other than providing health insurance and they have to be in business for at least 3 years.

Now, some may ask why we need to pass this bill again, especially after it passed with significant bipartisan support last year. We are here today because we want to remind the American people and uninsured working families that we are here working on their behalf. We have a bipartisan solution to help address the problem of the uninsured, and passing this bill again demonstrates our commitment to helping Americans without health insurance. The next step is for the other body across the Capitol to begin to deal with this bill in a serious way. On Tuesday of this week, the Senate Task Force on the Uninsured included association health plans amongst its proposals to address the needs of uninsured working Americans, so we remain hopeful.

We in Congress, I think, have a responsibility to deal with the problems of small businesses who cannot afford to provide health insurance because of skyrocketing health care costs and being stuck in small State insurance pools.

The United States economy is improving, and more and more employers

are hiring workers each month. Last Friday, the Labor Department reported that 1.1 million new jobs have been created over the last 8 months, including 625,000 new net jobs over the last 2 months alone. We want to make sure that those new workers have opportunity to receive quality health insurance through their employer, and we believe that this bill can help make that happen.

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

Mr. ANDREWS. Mr. Speaker, it is my pleasure to yield such time as he may consume to the gentleman from California (Mr. GEORGE MILLER), the Democratic leader of our committee.

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for yielding me this time and I thank him for all of his leadership on this legislation.

I was wondering why we were here today, but I guess we are here today to demonstrate that we are working on behalf of the American people. It is an interesting definition of work, that we are going to repeat something that we have already done earlier in the year that has already been completed, but we are going to go through it again, so you think we are working for you. I thought they called that featherbedding or something in the old days, when you looked like you were working but you were not working.

But anyway, what is interesting here is that once again we see the Republicans offering another piece of legislation that just continues an assault on middle-income Americans. They did it with overtime pay: cut it, will not let us consider it; comp time, ended; unemployment insurance assistance, terminated; job training, slashed; negotiations for cheaper prescription drugs, prohibited. When is it the middle class is going to get to win one with this Republican leadership in the Congress?

Now we come to this health care plan which is to basically give an offer to people of health care that is unregulated, that is opposed by all of the State Attorneys General and the National Governors Association and so many others who have experience with these plans in trying to make sure that people are not cheated out of the money that they pay and the benefits that are offered.

But they are not going to allow us to have the amendments that would substantially change this bill, because they do not want to vote on those amendments. They do not want to vote on amendments that would improve this legislation. That is unfortunate, because as they do continue their assault on the middle class, at least those of us 206 Members on the Democratic side ought to be able to reflect the voices of the people that we represent. We ought to be able to offer the amendments to provide for their protection and for their expanded health care, but that is not the way they run the House nowadays. Nowadays you either have to take their idea or no idea.

And that is just unacceptable when we are considering a problem as complicated and with the absolute sense of urgency that the Nation has about health care.

So this is very unfortunate, that we would take these 4 hours that we will probably consume on this legislation and simply go through a charade that was already acted out in the House of Representatives last year in this Congress. The Senate can consider it anytime they want. But we are going to go through this charade rather than allowing amendments that could be offered to substantially improve this legislation, amendments much like the effort we made yesterday on overtime, to offer a chance to vote on overtime, we would prevail on a bipartisan basis, but the Republicans are so concerned that they would rather choke off the debate and not allow those amendments to take place.

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON), the chairman of the Subcommittee on Employer-Employee Relations.

Mr. SAM JOHNSON of Texas. Mr. Speaker, as the House moves forward with its competitiveness agenda to make America's businesses more attractive and efficient, it is imperative that we help the backbone of our economy: small business.

Health care costs are rising at a rate of 15 percent annually, and double that for many small businesses. What is astounding is that according to the Congressional Budget Office, for each percentage point rise in health insurance costs, the number of uninsured increases by 300,000. That is a terrible ratio.

Since this trend shows no sign of slowing, it means we need to act now. By allowing small businesses to band together in trade associations, this bill will give small businesses access to more affordable health care, give them freedom from costly State-mandated benefit requirements, and lower their administrative costs by as much as 30 percent.

Some critics of the bill say there will be a loss in consumer protection because AHPs exempt small business from burdensome State mandates such as covering in vitro fertilization. Obviously, these mandates just cost the States more money. Large employers and unions have been exempt from State mandates since 1974, and they continue to offer fantastic coverage to working families. We ought to act now to help small businesses enjoy that same privilege or they will not be able to offer any health coverage to employees and their family members.

In my home State of Texas, a shocking 27 percent of all employed or self-employed adults are uninsured, according to a recent study. The facts are clear and the facts demand action.

An overwhelming majority of small businesses agree that AHPs are the right solution. This bill has the sup-

port of NFIB, the Associated Builders and Contractors, the U.S. Chamber of Commerce, and many others. I would like to be sure and thank my good friend, the gentleman from Ohio (Mr. BOEHNER), and other cosponsors of this legislation: the gentleman from Georgia (Mr. BURNS), the gentlewoman from New York (Ms. VELÁZQUEZ), and the gentleman from California (Mr. DOOLEY). They have shown their commitment to small business employees and their families by supporting this legislation, and I commend them for it.

This bill gets to the heart of health care reform. Let us just do it.

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

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

Mr. ANDREWS. Mr. Speaker, I rise in strong opposition to this bill. My friend, the chairman, went through a series of numbers about this bill a few minutes ago, and I would respectfully suggest that he got some numbers wrong.

I think the most important numbers about this bill are 1 million, zero, and 50. There will be an addition of 1 million people to the roll of the uninsured should this bill become law, and here is why. The chairman argues that the provisions of this bill would limit the ability of association health plans to choose only the youngest and the most healthy would be affected. I think the evidence is strongly to the contrary. I think there are loopholes in this law that are wide enough to drive an ambulance through that would allow association health plans to refuse to insure, or raise the premiums to insure people who are older or more infirm.

Mercer & Associates, a respected, nonpartisan study group on health care is the source of this number. They believe that when we add up the number of people who will gain health insurance as a result of AHPs and we subtract from that that number of people who will lose health insurance because of rising premiums in plans that are more traditional, that we will add 1 million people to the ranks of the uninsured.

The second number is zero. That is the number of consumer protections that the law will guarantee if this bill became law. Legislators across this country, Republican and Democrat, have fought for the right of women to have guaranteed mammograms and OB-GYN care, the right of people dealing with the difficulties of substance abuse or mental health problems to have guaranteed coverage, the right of couples who wish to have children to have infertility coverage, the rights for diabetic care, for mental health care. These are rights that people have fought for and won in State legislatures across the country. Every single one of those protections is repealed should this bill become law. There will be zero consumer protections guaranteed to our constituents should this happen.

□ 1400

The final number that we should take into consideration is 50 because that is the number of State Attorneys General who oppose this bill. That is the number of insurance commissioners, Republican and Democrat, who oppose this bill. The National Governors Association, Republicans, Democrats and Independents across the country oppose this bill.

Mr. Speaker, it is customary on the floor of the House for us to have our partisan differences, that happens; but do not listen to the partisan differences here. Listen to the experts of both parties who spent their careers out in the several States regulating health care. Republican Governors and Democratic Governors, Republican Attorneys General and Democratic Attorneys General, Republican insurance commissioners and Democratic insurance commissioners oppose this bill because it opens the door for the possibility of fraud and loss in these plans.

There is a better way; and later this afternoon my friend, the gentleman from Wisconsin (Mr. KIND), and I will be offering a plan which truly will reduce premiums for small businesses, which truly will expand health care opportunities for the uninsured and will do so without risking or jeopardizing the important protections that people presently enjoy under the law.

I would urge my colleagues to oppose this bill, to support our substitute.

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

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Hickory, North Carolina (Mr. BALLENGER), a senior member of our committee.

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

Mr. Speaker, I am a small business owner, and I know the burden that rising health care costs are having on small companies across America. My health insurance costs in my company have skyrocketed over the past few years, and I know that other small U.S. firms are experiencing the same burden. In my particular case, over the last 10 years my sales have doubled, but my health care costs have gone up by 450 percent.

When I first started my business, we could cover the full cost of an employee's medical insurance; but even with growing sales, we have not been able to keep pace with the ever-increasing cost of medical premiums, and I hear this same story over and over again from other small business owners in my district.

Like me, most employers care deeply about their employees and want to give them access to quality health care. Unfortunately, soaring costs have forced many small businesses to shift their health insurance costs to the employees, to drop health care coverage or to close up shop altogether.

Considering that more than half of the uninsured are small business employees and their dependents, this is nothing short of a tragedy. We must act to help small businesses which are at the mercy of the insurance companies. They simply do not have the bargaining power or resources needed to get the best deal.

That is why I am a strong supporter of the Small Business Health Fairness Act. This bill allows small businesses to pool their resources into association health plans, giving them purchasing clout and power to do what they do not have today. AHPs will allow small businesses to negotiate better rates and purchase better plans at a lower cost. It is good for small employers. It is good for employees.

Now, we know the problem of the uninsured will not go away with this bill, but it will help small employers and millions of their employees and their dependents to gain access to quality care; and it may help prevent some companies from dropping their health care plans altogether.

I strongly urge my colleagues to support this employer- and employee-friendly bill, and I thank the gentleman for yielding me the time.

Mr. ANDREWS. Mr. Speaker, I yield 2½ minutes to the gentleman from Maryland (Mr. VAN HOLLEN), one of our Members who has extensive experience as a State legislator in achievement in this area.

Mr. VAN HOLLEN. Mr. Speaker, I thank my colleague for yielding me the time, and I want to thank him for all his work on this issue.

As the chairman of the committee said at the beginning of his remarks, we have 43.6 million Americans who have no health insurance today. Now, the Congressional Budget Office tells us that the associated health plan approach might cover 550,000 of them, less than 1 percent of the insured. If that were the end of the story, we might say, okay, does not do much, but it is better than nothing.

The problem is it is not better than nothing because it violates the first principle in medicine, which is first do no harm, because the Congressional Budget Office also tells us that 7.9 million Americans who currently are covered will get worse coverage or pay more as a result of the actions taken in this bill.

Mercer Consultants has said that 1 million Americans will lose their coverage. Do the math. Clearly, it is a lousy bargain. Much more harm, very, very little benefit, and that is because associated health plans, by design, eliminate many of the protections that are currently provided through State legislatures around the country for our consumers: basic commonsense rules of the road, like the right to external review if a person's insurance claim is denied; direct access for women to OB/GYNs; access to emergency room treatment; a prohibition against gag orders on doctors. In fact, these basic patient

protections are so fundamental, they have been adopted in a bipartisan manner by this House before. When this House passed a Patients' Bill of Rights, it was going to apply those rights to ERISA plans and the other plans. Why not do the same thing today?

Well, my colleague, the gentleman from Massachusetts (Mr. TIERNEY), and I just the other day went to the Committee on Rules and said let us have an amendment here on the floor of the House that guarantees those patients the same protections this House, in a bipartisan manner, guaranteed them a number of years ago. We were not even allowed a vote on that very simple amendment. Why is the other side afraid of a vote on providing patients the very same rights that this House has already provided those patients?

Let me just say that if my colleagues ask State legislators and Governors from around this country whether they are for or against this, we have heard the National Governors Association is against this. In fact, my Governor, the Governor of the State of Maryland, a Republican Governor, one of our former colleagues, Governor Ehrlich, has written to the Maryland congressional delegation and said please do not pass this bill because it will interfere with a primary piece of legislation that was passed in the State of Maryland to provide for small group insurance benefits, and small employers throughout the State of Maryland are taking advantage of it. This would undercut it.

There is a better alternative. We are going to be debating that later. We are not saying we do not have any proposal out here. We have a much better proposal.

I urge my colleagues to reject this idea and later adopt the substitute.

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 1 minute to my colleague, the gentleman from Ohio (Mr. GILLMOR).

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

Mr. GILLMOR. Mr. Speaker, I thank the chairman for yielding me the time.

Mr. Speaker, I rise in support of H.R. 4281. This bill will open the door to nearly 41 million Americans that are currently without health care coverage. Providing small businesses with an opportunity to offer their employees affordable health care access is essential in promoting not only the physical health of the American workforce but also the overall economic health of the United States.

The American economy has always been driven by the entrepreneurial nature of its citizens, and blocking access to affordable health care will only suffocate growth within the small business sector of our economy. Recently, I had the honor of addressing a group of small business owners from my north-west Ohio district at an NFIB regional luncheon, and the most common concern I heard from them was their inability to secure affordable health care for themselves and their employees.

This piece of legislation provides a real solution to one of the major problems plaguing our business and health care industries, and I urge its support.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Would Members please remove their electronic devices from the floor or turn them off.

Mr. ANDREWS. Mr. Speaker, it is my pleasure to yield such time as he may consume to the gentleman from Michigan (Mr. DINGELL), the senior Member and the dean of the House of Representatives, my very dear friend.

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

Mr. DINGELL. Mr. Speaker, I rise in opposition to the legislation and to applaud the efforts of my good friend and colleague from New Jersey and his opposition to it.

This legislation is bad. It is going to encourage cherry-picking and cream-skimming. It is going to create a bunch of plans that are going to be exempt from State regulation. It is going to actually reduce the quality of care available, the quality of health insurance available, and also the amount of insurance available and the people who will be covered.

More than 1,000 organizations oppose AHPs: the National Governors, Republicans and Democrats alike; the National Association of Insurance Commissioners who say that it is going to encourage cherry-picking and cream-skimming; the National Association of Attorneys General, Republicans and Democrats alike; the American Academy of Pediatrics; the Consumers Union; and Families USA, plus many others.

What it is going to do is to actually undermine the current employer-sponsored market. As I mentioned, it will encourage cherry-picking of healthier and younger populations because they will be permitted to cover specific types of employers and thus establish a special new, separate market and will be a market where it will not cover many people, who will find that the difficulties in procuring insurance will be more difficult because of this.

The Congressional Budget Office tells us that AHPs will cut benefits for 8 million Americans who now have coverage. That alone is argument enough to defeat this legislation. Additionally, CBO determined that AHPs will only increase enrollment in employer-sponsored coverage by 330,000 people.

A Mercer study commissioned by the National Small Business Association found that AHPs would cause the uninsured to grow by better than 1 million. That, again, should be warning enough.

At a time when 43 million of our people are uninsured, AHPs will simply move us backwards. I urge us to defeat this legislation. It is bad. It is not in the interest of the country. Everybody who is responsible for dealing with insurance has said this is bad legislation. Reject it.

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

With all due respect to my good friend from Michigan, I think what we see here at the central issue of this debate is a basic distrust of the private sector. Now, two-thirds of the American people get their health insurance through their employer. We have an employer-based system in America, and it has worked very well; and some of the best coverage and the most high-quality health plans are offered by employers to their employees.

Today, both employers, and increasingly employees, are paying for the cost of those plans. What we are attempting to do here is to give small businesses who do not have big purchasing power in the marketplace the ability to join together and to offer the same kinds of plans that large companies and unions offer to their employees and members, give those small employers and their employees the same opportunity.

Plain and simple.

Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from Tennessee (Mrs. BLACKBURN), a member of the committee.

Mrs. BLACKBURN. Mr. Speaker, I thank the chairman for his excellent work on this issue for our Nation's small businesses.

We know that those small businesses fuel this economic growth in our country, and we appreciate their efforts; and we know that our small business employees are being burdened paying on average 17 percent more for their health benefits than their counterparts at large companies.

I recently held a small business health care roundtable in my district and talked with these small business employers about their desire to make better health benefits available to their employees and still stay competitive. This legislation is an opportunity that Congress has to help bring about that affordable health care to millions of employees.

AHPs would save the typical small business owner between 15 and 30 percent on health insurance and help make that coverage available. As our chairman said, too often regulations and mandates add to the cost burden.

Current law exempts large employers and unions from State mandates so that they are able to offer quality benefits across State lines. The Small Business Health Fairness Act will give that same opportunity to our small businesses in this country.

This is a benefit that will help them to be competitive in the world market. It is bipartisan legislation. It passed overwhelmingly last year, and I urge all of my colleagues to support this commonsense legislation for our Nation's small businesses.

Mr. ANDREWS. Mr. Speaker, I yield myself 15 seconds.

My friend said that the opposition is evidence of distrust of the private sector. It is odd, because 66 local chambers

of commerce have mounted an objection to the bill and the Republican Governors Association. I guess they share our distrust for the private sector.

Mr. Speaker, I am submitting a list of over 1,050 organizations that oppose this bill for the RECORD.

ORGANIZATIONS AND PUBLIC OFFICIALS OPPOSED TO FEDERAL AHP LEGISLATION, APRIL 23, 2004

Over 1,050 Organizations Have Expressed Opposition:

STATE OFFICIALS

National Groups

National Governors Association  
 Republican Governors Association  
 Democratic Governors Association  
 Attorneys General Representing 41 States  
 National Association of Insurance Commissioners  
 National Association of State Mental Health Program Directors  
 National Conference of Insurance Legislators  
 National Conference of State Legislatures

CHAMBERS OF COMMERCE

Albuquerque (NM) Chamber  
 Arapahoe Chamber of Commerce (Nebraska)  
 Ashland Chamber of Commerce (Nebraska)  
 Black Chamber of Commerce of Greater Kansas City  
 Blanding Chamber of Commerce (Utah)  
 Bloomfield Chamber of Commerce (Nebraska)  
 Boise Metro Chamber of Commerce (Idaho)  
 Boston Chamber  
 Broken Bow Chamber of Commerce (Nebraska)  
 Buffalo-Niagara Partnership (New York)  
 Carey Area Chamber of Commerce (Ohio)  
 Cherry Creek Chamber (Colorado)  
 Colorado Black Chamber of Commerce  
 Colorado Hispanic Chamber of Commerce  
 Council of Smaller Enterprises/Greater Cleveland Growth Association (COSE)  
 Denver Metro  
 Detroit  
 Draper Chamber of Commerce (Utah)  
 Duchesne Chamber of Commerce (Utah)  
 Evans Chamber of Commerce (Colorado)  
 Florence, Colorado  
 Grand Raids Area Chamber of Commerce  
 Greater Akron Chamber (Ohio)  
 Greater Cincinnati Chamber  
 Greater Columbus Chamber (Ohio)  
 Greater Des Moines Partnership (Iowa)  
 Greater Indianapolis Chamber (Indiana)  
 Greater Louisville, Inc. (Louisville, Kentucky Chamber of Commerce)  
 Greater Manchester, New Hampshire  
 Greater North Dakota Association  
 Greater Seattle Chamber  
 Heber Valley Economic Development (Utah)  
 Herington Chamber of Commerce (Kansas)  
 Hiawatha Chamber of Commerce (Kansas)  
 Holton Area Chamber of Commerce (Kansas)  
 Lake City Chamber of Commerce (Colorado)  
 Lansing Regional Chamber (Michigan)  
 Lehi Chamber of Commerce (Utah)  
 Merrimack Valley Chamber of Commerce  
 Metro Jackson, Mississippi  
 Michigan Chamber of Commerce  
 Midvale Chamber of Commerce (Utah)  
 New Hampshire Business and Industry Association  
 North Central Massachusetts Chamber of Commerce  
 North Park Chamber (Colorado)  
 Northern Kentucky Chamber of Commerce  
 Northern Ohio Chamber of Commerce  
 Oklahoma City  
 Oklahoma State  
 Oregon Association of Industries (Oregon State Chamber of Commerce)  
 Palisade Chamber (Colorado)

Paola Chamber of Commerce (Kansas)  
 Ravenna Area Chamber of Commerce (Ohio)  
 Salem Economic Development (Utah)  
 Saratoga County Chamber of Commerce (New York)  
 Spanish Fork Area Chamber of Commerce (Utah)  
 Springfield Chamber of Commerce (Colorado)  
 Springville Area Chamber of Commerce (Utah)

Tacoma-Pierce County Chamber of Commerce

Toledo Area Chamber of Commerce  
 Tulsa, Oklahoma  
 Washington State (Association of Washington Business)  
 West Jordan Chamber (Utah)  
 Woodson County Chamber of Commerce (Kansas)  
 Worland Chamber of Commerce (Wyoming)  
 Youngstown-Warren Chamber (Ohio)

FARM BUREAUS:

Alabama Farmers Association (ALFA)  
 Mississippi Farm Bureau  
 Tennessee Farm Bureau Federation—Tennessee Rural Health  
 Virginia Farm Bureau

SMALL BUSINESS ASSOCIATIONS

Alaska Coalition of Small Business  
 Arizona Small Business Association  
 4D Industries (Oregon)  
 Indiana Association of Community and Economic Development  
 Indiana Manufacturers' Association  
 Fargo-Moorhead Homebuilders' Association  
 Ohio/Kentucky Concrete Pavement Association  
 National Small Business Association (Represents over 150,000 small businesses nationwide)  
 New England Council  
 New Hampshire Business Council  
 New Hampshire High Tech Council  
 Oregon Business Alliance  
 Professional Musicians Of Arizona  
 Rhode Island Small Business Association  
 SMC Business Councils (Pennsylvania)  
 Sentaquin Economic Development Agency (Utah)  
 Small Business Association of Michigan  
 Utah Small Business Development Center—Utah Valley State College

LABOR UNIONS

AFL-CIO—American Federation of Labor and Congress of Industrial Organizations  
 With additional letters from: Alabama AFL-CIO, Alaska AFL-CIO, Arkansas AFL-CIO, Arizona AFL-CIO, California AFL-CIO, Indiana AFL-CIO, Kansas AFL-CIO, Louisiana AFL-CIO, Maine AFL-CIO, Minnesota AFL-CIO, Missouri AFL-CIO, Montana State AFL-CIO, Nebraska AFL-CIO, Nevada State AFL-CIO, New Mexico Federation of Labor, North Carolina State AFL-CIO, Northern Nevada Central Labor Council, Nevada State AFL-CIO, District 2, Ohio AFL-CIO, Oregon AFL-CIO, Rhode Island AFL-CIO, Southern Nevada Central Labor Council, Nevada State AFL-CIO, District 3, Tennessee Labor Council, Utah State AFL-CIO, Virginia AFL-CIO, Washington State Labor Council  
 Alabama Education Retirees Association  
 Alabama Retired State Employees Association  
 Alabama Teacher's Union (AEA)  
 American Federation of State, County and Municipal Employees (AFSCME)  
 With additional letters from: Alabama, Colorado, Indiana, Kansas Council 72 (Local 1715—Chapter 3371), Louisiana AFSCME Council 17, Nebraska, New Mexico, Ohio AFSCME United, AFSCME Local 4, AFSCME Council 8, Ohio Local 11 OCSEA, AFSCME Local 11, Rhode Island Council 94, Utah Local 1004, Virginia Local 27

American Federation of Teachers (AFT)

With additional letters from: Albuquerque, New Mexico Federation of Teachers, Arkansas Federation of Teachers, Colorado Federation of Teachers, Kansas Southwest and Mountain States Region for the AFT, Louisiana Federation of Teachers, Oregon Federation of Teachers, Rapides (Louisiana), Utah American Federation of Teachers

Atlanta Labor Council

Boilermaker's Lodge 101 (Colorado)

Cement Masons Local 577 (Colorado)

Central Georgia Federation of Trades and Labor Council

Colorado Federation of Public Employees

International Brotherhood of Electrical Workers (IBEW)

With additional letters from: Cleveland, Ohio Local 1377, Dayton, Ohio Local 82, Kansas Local 304, Milan, Ohio Local 1194, Oak Harbor, Ohio Local 1432, Ohio Local 2331, Oregon

International Union, United Auto Workers (UAW)

With additional letters from: Indiana UAW—Region 3 (Indiana and Kentucky), Kansas Local 31

International Union of Bricklayers and Allied Craftworkers

Kansas Association of Public Employees

Kansas Postal Workers Union

Labor Federation of Central Kansas

Laborers' International Union—Local 149—Aurora, Illinois

Maine Teacher's Union/Maine Educational Association

Middle Georgia Central Labor Council

Missouri Steelworkers Union

Montana Progressive Labor Caucus

National Education Association—Rhode Island

Nebraska State Education Association

Ocean State Action (AFT—Rhode Island)

Ohio AFSCME Retiree Chapter 1184

Ohio Association of Public School Employees

Oregon Federation of Nurses

Paper Allied-Industrial, Chemical and Energy Workers International Union (PACE)

Providence (Rhode Island) Central Federation of Labor

Service Employees International Union (SEIU)

With additional letters from: Alabama, Arkansas, Colorado, Georgia, Local 1985, Kansas, Missouri, Local 2000, New Hampshire, Local 1984, Ohio, District 1199, Oregon, Local 503, Rhode Island, Washington

Shipbuilders and Boilermakers International Union—Virginia Chapter

Teamsters Union—Maine

Teamsters' 190—Montana

Teamsters Local 407—Ohio

United Food and Commercial Workers Union—Nebraska (Local 22)

United Food and Commercial Workers Union—Washington

United Teachers of Wichita, Kansas

United Transportation Union—Louisiana

#### CONSUMER/ADVOCACY GROUPS

##### National Groups

Alliance for Children and Families

American Agricultural Movement, Inc.

American Association of Pastoral Counselors

American Association of People with Disabilities

American Association of University Women—Oregon Chapter

American Cancer Society

American Congress of Community Supports and Employment Services

American Corn Growers Association

American Diabetes Association

With additional letters from: Alabama Chapter, Arkansas Chapter, Central Ohio

Chapter, Cleveland Ohio Chapter, Colorado Chapter, Indiana Chapter, Kansas Chapter, Louisiana Chapter, Maine Chapter, Minnesota Chapter, Montana Chapter, Nebraska Chapter, Nevada Chapter, New Hampshire Chapter, New Mexico Chapter, North Carolina Chapter, Northeast Ohio Chapter, Oregon Chapter, Utah Chapter, Seattle, Washington Chapter, Southwest Ohio & Northern Kentucky Chapter, Washington Chapter

American Family Foundation

American Homeowners Grassroots Alliance

Americans for a Balanced Budget

Anxiety Disorders Association of America

Association for the Advancement of Psychology

Bazelon Center for Mental Health Law

Center on Disability and Health

Child Welfare League of America

Children & Adults with Attention-Deficit/Hyperactivity Disorder

With additional letters from: Ohio Chapter Children's Defense Fund—With additional letters from: Ohio Chapter

Coalition Against Insurance Fraud

Consumer Federation of America

Consumers Union

Depression and Bipolar Support Alliance

With additional letters from: Depression and Bi-Polar Support Alliance of Ohio, Depression and Bi-Polar Support Alliance of Columbus, Ohio, Depression and Bi-Polar Support Alliance of Dayton, Ohio, Depression and Bi-Polar Support Alliance of Medina, Ohio

Families USA

Federation of Families for Children's Mental Health

Federation of Southern Cooperatives

Friends Committee on National Legislation

International Certification and Reciprocity Consortium

League of United Latin American Citizens (LULAC)—With additional letters from: Arkansas Chapter

Maternal and Child Health Coalition for Healthy Families

National Alliance for the Mentally Ill

With additional letters from: Arkansas Chapter, Colorado Chapter, Georgia Chapter, Kansas Chapter, Louisiana Chapter, Maine Chapter, Montana Chapter, Nebraska Chapter, New Hampshire Chapter, New Mexico Chapter, North Carolina Chapter.

Ohio Chapter: Allen, Auglaize & Hardin Counties, Adams County, Butler County, Clark County, Clermont County, Cleveland Metro, Fairfield County, Franklin County, Licking County, Logan & Champaign County, Richland County, Ross/Pickaway Counties, Seneca, Sandusky and Wyandot Counties, Stark County, Warren County.

Oregon Chapter, Rhode Island Chapter, St. Louis Chapter, Utah Chapter, Washington Chapter

National Association for Children's Behavioral Health

National Association for Rural Mental Health

National Association for the Advancement of Colored People (NAACP) North Carolina Chapter

National Association of Anorexia Nervosa and Associated Disorders

National Association of Farmer Elected Committees

National Association of Protection and Advocacy Systems

National Coalition for the Homeless

National Council of La Raza

National Farmers Organization

National Foundation for Depressive Illness

National Mental Health Association

With additional letters from: California Chapter, Colorado Chapter, Franklin County

(Ohio), Georgia Chapter, Greater St. Louis Chapter (Missouri), Illinois Chapter, Indiana Chapter, Knox County (Ohio), Licking County (Ohio), Louisiana Chapter, Lucas County (Ohio), Miami County (Ohio), Minnesota Chapter, Montana Chapter, New Mexico Chapter, Nebraska Chapter, North Carolina, Oregon Chapter (Mental Health Association of Oregon—MHAO), Ottawa County (Ohio), Stillwater-Sweetgrass Counties (Montana), Summit County (Ohio), Union County (Ohio), Utah Chapter, Wyoming Chapter

National Partnership for Women & Families

National Patient Advocate Foundation

Planned Parenthood Federation of America

Research Institute for Independent Living

Soybean Producers of America

Suicide Prevention Action Network

Tourette Syndrome Association

United Cerebral Palsy Association

USAction

Women Involved in Farm Economics

##### Local Groups

9 to 5 National Working Women's Association (Colorado)

AIDS Alliance Service (North Carolina)

AIDS Prevention ACTION Network (California)

AIDS Project Rhode Island

AIDS Response Seacoast—New Hampshire

AIDS Survival Project (Georgia)

ARC of Alabama

ARC of Colorado

ARC of Indiana

ARC of Norfolk, Nebraska

ARC of Ohio

ARC of Oregon

ARC of Utah

Access Utah Network

Adoption Options (Colorado)

Advocacy Coalition of Seniors and People with Disabilities (Oregon)

Alabama Council on Substance Abuse

Alabama Watch

Alaskans for Tax Reform

Alliance Against Family Violence (Kansas)

Allies With Families (Utah)

American Agricultural Movement of Arkansas, Inc.

American Association of University Women—Oregon Chapter

American Lung Association—Alaska Chapter

American Lung Association—Colorado Chapter

Arkansas Interfaith Conference

Arizona Association of Community Mental Health Centers

Assistive Technology Through Action in Indiana (ATTAIN)

Association of Community Organizations for Reform Now (California)

Bethpage Omaha (Nebraska)

Best Buddies International—Indiana Chapter

Big Brother and Big Sister—Illinois

Bosom Buddies of Georgia, Inc.

Brain Injury Association of Colorado

Brain Injury Association of Utah

Buckeye Art Therapy Association of Ohio

California Coalition for Mental Health

California Pan-Ethnic Health Network

Campaign for Better Health Care (Illinois)

Campaign for Health Security (Oregon)

Cancer World (Oregon)

Catholic Charities of Colorado

Catholic Charities of Colorado Springs

Catholic Charities of Omaha, Nebraska

Catholic Charities Pueblo (Colorado)

Catholic Community Services of Utah

Catholic Conference of Kentucky

Center for Policy Analysis (California)

Central Ohio Diabetes Association

Centro Legal (Minnesota Minority Support Group)

Child Connect (Nebraska)

Children's Defense Fund—Ohio Chapter

Children's Diabetes Foundation—Denver Chapter

- Children's First of Oregon  
 Citizen Action of Arizona  
 Citizen Action of Illinois  
 Citizen Action of New York  
 Citizen Action Network of Iowa  
 Coalition for Accountable Government (Utah)  
 Coalition for Independence (Kansas)  
 Coalition of New Hampshire Taxpayers  
 Colorado Classified School Employees Association  
 Colorado Forum on Community  
 Colorado Developmental Disabilities Planning Council  
 Colorado Programs for Children with Disabilities  
 Colorado Progress Coalition  
 Colorado Women's Agenda  
 Columbus Ohio Chapter of N.O.W.  
 Community Action Directors of Oregon  
 Community Connection (Utah)  
 Community Connections (Nebraska)  
 Community Harvest Food Bank of Northeast Indiana  
 Community Humanitarian Resource Center (Nebraska)  
 Community Pharmacists of Indiana  
 Community Support Services (Oregon)  
 Concerned Christian Americans—Illinois  
 Congress of California Seniors  
 Connecticut Citizen Action Group  
 Damien Center—Indiana  
 Day At A Time Club (Colorado)  
 Denver, Adams and Arapahoe County (CO) CARES  
 Diocese of Salt Lake City (Utah)  
 Durango Ltd. (Illinois)  
 Eagle Forum (Illinois)  
 East Liverpool (Ohio) Breast Cancer Support Group  
 Ecumenical Ministries of Oregon  
 El Comite—Colorado  
 Electric League (Missouri)  
 EMPOWER Colorado  
 Families First (Georgia)  
 Family Planning Association of Maine  
 Family Planning Association of Northeast Ohio  
 Family Ties Adoption Center of Colorado  
 Federation of Families for Children's Mental Health—Colorado  
 Future Coalition (Ohio)  
 Gathering Place (Nebraska)  
 Georgia Abortion and Reproductive Rights Action League (GARAL)  
 Georgia Rural—Urban Summit  
 Georgia Watch  
 Georgians for Healthcare  
 Good Faith Fund (Arkansas)  
 Granite State Independent Living Foundation (New Hampshire)  
 Gray Panthers California  
 Gray Panthers of Oregon  
 Gray Panthers of Rhode Island  
 Health Action New Mexico  
 Health Care for All (Massachusetts)  
 Health Law Advocates (Massachusetts)  
 Healthy Kids Learn Better (Oregon)  
 Healthy Mothers/Healthy Babies (Montana)  
 Helena Indian Alliance—Montana  
 Hispanic Community Center (Nebraska)  
 Hispanic Contractors Association (Colorado)  
 Human Services Coalition of Oregon  
 Illinois Caucus for Adolescent Health  
 Indiana Association of Area Agencies on Aging  
 Indiana Central Association of Diabetes Educators (ICADE)  
 Indiana Coalition on Housing and Homeless Issues  
 Indiana Pharmacy Alliance  
 Individual and Family Counseling—Illinois  
 Insure the Uninsured Project (California)  
 Interfaith Service Bureau (California)  
 Iowa Christian Coalition  
 Jewish Community Relations Council—Indiana  
 Kansas Alcohol & Drug Services Providers Association  
 Kansas Association of Middle School Administrators  
 Kansas United School Administrators  
 Kentuckians for Health Care Reform  
 Kentucky Minority Farmers Association  
 Latin American Research and Service Agency (Colorado)  
 Louisiana Maternal and Children's Health Coalition  
 Maine Consumers for Affordable Healthcare  
 Maine Women's Lobby  
 Maine Women's Policy Center  
 Mental Health Consumer Advocates of Rhode Island  
 MESA (Moving to End Sexual Assault) Administrative Office (Colorado)  
 Minnesota AIDS Project 10  
 Minnesota Lawsuit Abuse Watch (M-LAW)  
 Minnesota State Council on Disability  
 Montana Children's Initiative  
 Montana Coalition for Competitive Choices  
 Montana Council for Families  
 Montana March of Dimes  
 Montana NARAL  
 Montana Peoples Action  
 Montana Senior Citizens Association  
 Montana's Child Project  
 Multiple Sclerosis Society of Indiana  
 Mutual Ground—Illinois  
 National Barter and Commodity Association (Formerly the Colorado Citizens for an Alternative Tax System)  
 National Kidney Foundation of Georgia  
 Navajo County Arizona Special Public Health District  
 Nebraska Arthritis Foundation  
 Nebraska Tax Research Council  
 Nebraskans for Equal Taxation  
 Neighborhood Activists Inter-Linked Empowerment Movement (NAILEM)—Arizona  
 Nevada Alliance for Retired Americans  
 Nevada Cancer Institute  
 Nevada Diabetes Association for Children and Adults  
 Nevadans for Affordable Health Care  
 New Mexico Voices for Children (formerly—New Mexico Advocates for Children and Families)  
 New Mexico Teen Pregnancy Coalition  
 New Hampshire Commission on the Status of Women  
 New Hampshire Developmental Disabilities Commission  
 New Hampshire for Health Care  
 Noble/ARC of Central Indiana  
 Noble/ARC of Greater Indianapolis  
 North Carolina Committee to Defend Healthcare  
 Ohio AIDS Coalition  
 Ohio Advocates for Mental Health  
 Ohio Association of Mental Retardation  
 Ohio Citizen Advocates for Chemical Dependency, Prevention and Treatment  
 Ohioans for Diabetes Control  
 Oregon Alliance of Retired Americans  
 Oregon Association of Retired Persons (AARP Chapter)  
 Oregon Council of Senior Citizens  
 Oregon Disabilities Commission  
 Oregon Health Action Campaign  
 Oregon Heart and Lung Association  
 Oregon Law Center  
 Oregon Special Concerns Ministry  
 Oregonians for Health Security  
 Paola Foster Grandparent Program (Kansas)  
 People First of Nebraska  
 People Living Through Cancer—New Mexico  
 Planned Parenthood of Alaska  
 Planned Parenthood of Georgia  
 Planned Parenthood of Greater Indiana  
 Planned Parenthood of Mid/East Tennessee  
 Planned Parenthood of Northern New England  
 Precita Park Democratic Club (California)  
 Protectmontanakids.org  
 Pulaski County Democratic Women (Arkansas)  
 Pulaski County Young Democrats (Arkansas)  
 Quality Care for Children (Georgia)  
 Redemptorist Social Services Center (Missouri)  
 Religious Action Center of Reform Judaism  
 Rhode Island Kids Count  
 Rhode Island Poverty Institute  
 Rhode Island Public Health Association  
 Safe Kids—Safe Communities—Montana  
 Self-Determination Resources (Oregon)  
 Small Business Lobby (Virginia)  
 Special Concerns Ministry (Oregon)  
 Sudden Arrhythmia Death Syndrome (Utah)  
 Support Oregon Services Alliance  
 Tennessee Association of Alcohol and Drug Abuse Services  
 United Cerebral Palsy Association—Colorado  
 United Cerebral Palsy Association—Nebraska  
 United Cerebral Palsy Association—Utah  
 United Seniors of Oregon  
 Universal Health Care Action Network of Ohio  
 University Village Association (Illinois)  
 Utah Association of Counties  
 Utah Center for Persons With Disabilities  
 Utah Coalition Against Sexual Assault  
 Utah Hispanic Advisory Council  
 Utah State University  
 Victim Assistance Team of Grand County Colorado  
 Virginia Coalition of Police and Deputy Sheriffs  
 Washington Citizen Action  
 Wisconsin Citizen Action  
 Wisdom of Wellness Foundation (Georgia)  
 WISE Foundation (Tennessee)  
 Women's Association of Northshore Democrats—Louisiana  
 Women's Policy Group (Georgia)  
 Women's Rights Organization (Oregon)  
 Working for Equality and Economic Liberation (WEEL)—Montana
- PHYSICIAN GROUPS  
 NATIONAL GROUPS  
 American Academy of Child and Adolescent Psychiatry  
 American Academy of Neurology  
 American Academy of Pediatrics  
 With additional letters from: Alabama Chapter, Illinois Chapter, Indiana Chapter, Iowa Chapter, Louisiana Chapter, Minnesota Chapter, Montana Chapter, Nebraska Chapter, New Hampshire Chapter, New Mexico Chapter, Ohio Chapter, Oregon Chapter, Rhode Island Chapter, Tennessee Chapter, Utah Chapter  
 American Association for Geriatric Psychiatry  
 American College of Foot & Ankle Surgeons  
 American Psychiatric Association  
 With additional letters from: Colorado Chapter, Kansas Chapter, Louisiana Chapter, New Hampshire Chapter, New Mexico Chapter, Ohio Chapter, Tennessee Chapter, Utah Chapter  
 National Alliance of Medical Researchers and Teaching Physicians  
 National Hispanic Medical Association  
 Pediatric Medical Group  
 The Society for Maternal Fetal Medicine
- Local Groups  
 Alabama Academy of Family Physicians  
 Alabama Medical Association  
 American Academy of Physicians—Nebraska Chapter  
 American College of Cardiology—Alabama Chapter  
 American College of Emergency Physicians—Alabama Chapter  
 American College of Surgeons—Rhode Island Chapter

Arkansas Medical Society  
 Bellevue Pediatric Center (Nebraska)  
 Bennett Breast Cancer Center (Maine)  
 Colorado Medical Society  
 Family Medicine Specialists of St. George  
 (Utah)  
 Internal Medicine and Pediatric Medicine  
 (Utah)  
 Missouri State Medical Association  
 Nebraska Academy of Family Physicians  
 Nebraska Academy of Physicians  
 Nebraska Medical Association  
 New Hampshire Health Care Association  
 New Mexico Medical Society  
 Rhode Island Medical Association  
 Rhode Island Neurological Society  
 Rose Breast Center (Colorado)  
 Utah Optometric Physicians  
 Utah Valley Pediatrics  
 Virginia Medical Society  
 Washington Healthcare Forum

## PROVIDER GROUPS

*National Groups*

American Association for Marriage and  
 Family Therapy  
 American Association for Psychosocial Re-  
 habilitation  
 American Association on Mental Retarda-  
 tion  
 American Chiropractic Association  
 With additional letters from: Alabama  
 Chapter, Arkansas Chapter, Indiana Chapter,  
 Kansas Chapter, Kentucky Chapter, Lou-  
 isiana Chapter, Maine Chapter, Minnesota  
 Chapter, Montana Chapter, New Hampshire  
 Chapter, New Mexico Chapter, North Caro-  
 lina Chapter, Oregon Chapter, Rhode Island  
 Chapter, Tennessee Chapter, Washington  
 Chapter  
 American College of Nurse-Midwives  
 American Counseling Association  
 American Group Psychotherapy Association  
 American Mental Health Counselors Associa-  
 tion  
 American Nurses Association  
 With additional letters from: Alabama  
 Chapter, Arkansas Chapter, California Chap-  
 ter, Colorado Chapter, Illinois Chapter, Kan-  
 sas Chapter, Maine Chapter, Minnesota  
 Chapter, Montana Chapter, Nebraska Chap-  
 ter, Nevada Chapter, New Hampshire Chap-  
 ter, New Mexico Chapter, Ohio Chapter, Or-  
 egon Chapter, Rhode Island Chapter, Ten-  
 nessee Chapter, Utah Chapter, Virginia  
 Chapter, Wyoming Chapter

## American Optometric Association

With additional letters from: Alabama  
 Chapter, Arizona Chapter, Arkansas Chapter,  
 Indiana Chapter, Iowa Chapter, Kentucky  
 Chapter, Louisiana Chapter, Montana Chap-  
 ter, Nebraska Chapter, Nevada Chapter, New  
 Hampshire Chapter, New Mexico Chapter,  
 Tennessee Chapter, Utah Chapter, Virginia  
 Chapter, Wyoming Chapter

## American Podiatric Medical Association

## American Psychiatric Nurses Association

American Psychological Association  
 With additional letters from: Arkansas  
 Chapter, Colorado Chapter, Illinois Chapter,  
 Indiana Chapter, Iowa Chapter, Kansas Chap-  
 ter, Kentucky Chapter, Louisiana Chapter,  
 Minnesota Chapter, Montana Chapter, Ne-  
 braska Chapter, Nevada Chapter, North  
 Carolina Chapter, Ohio Chapter, Oregon  
 Chapter, Rhode Island Chapter, Tennessee  
 Chapter, Utah Chapter, Wyoming Chapter

## American Psychotherapy Association

American Society of Clinical  
 Psychopharmacology, Inc.  
 Association for Ambulatory Behavioral  
 Healthcare

Association of Women's Health, Obstetrics  
 and Neonatal Nurses

## Clinical Social Work Federation

Employee Assistance Professionals Associa-  
 tion

Federation of Behavioral, Psychological and  
 Cognitive Sciences  
 National Association of County Behavioral  
 Health Directors  
 National Association of School Psycholo-  
 gists  
 National Association of Social Workers

With additional letters from: Alabama  
 Chapter, Arkansas Chapter, Iowa Chapter,  
 Kansas Chapter, Louisiana Chapter, Maine  
 Chapter, Nebraska Chapter, New Hampshire  
 Chapter, New Mexico Chapter, North Caro-  
 lina Chapter, Ohio Chapter, Rhode Island  
 Chapter, Utah Chapter

National Council for Community Behavioral  
 Healthcare*Local Groups*

AAC Association (Nebraska)  
 Access Utah Network  
 Act Now Counseling (Utah)  
 Action Counseling (Colorado)  
 Acupuncture Association of Colorado  
 Acupuncture Association of Utah  
 Acupuncture Association of Washington  
 Addiction and Behavioral Health Center (Ne-  
 braska)

Advance Women's Health Care (Utah)

Advantage Eye Care (Utah)

AIM Institute (Nebraska)

Affiliates in Psychology (Nebraska)

Alabama Association of Home Health Agen-  
 cies

Alabama Association of State & Provincial  
 Psychology Boards

Alabama Council for Community Mental  
 Health Boards

Alabama Family Practitioners Rural Health

Alaska Ophthalmological Society

Alegent Health Psychiatric (Nebraska)

Alternative Health Center (Utah)

Alternative Pathways (Colorado)

Alzheimer's Association of Oregon and  
 Greater Idaho

Alzheimer's Association of Utah

American Society of Addictive Medicine—  
 Kansas Chapter

American Society of Addictive Medicine—  
 Utah Chapter

Andrus Vision Center (Utah)

Arden Courts (Illinois)

Arkansas Association for Marriage and Fam-  
 ily Therapy

Arkansas Chiropractic Legislative Council

Arkansas Independent Living Council

Arkansas Mental Health Counselors Associa-  
 tion

Aspen Therapy (Utah)

Association of Community Service Agencies  
 (California)

Association of Oregon Community Mental  
 Health Programs

Association of School Based Health Centers  
 (Oregon)

Asthma and Allergy Clinic (Utah)

Autism Coalition of Indiana

Autism Society of Arkansas

Autism Society of Nebraska

Autism Society of Ohio

Avenues to New Horizons (Nebraska)

Avera St. Anthony's Hospital (Nebraska)

A.W.A.R.E. Inc. (Mental Health Provider—  
 Montana)

Bear River Medical Arts (Utah)

Bear River Mental Health Services (Utah)

Beaver Valley Hospital (Utah)

Behavioral Health Specialists (Nebraska)

Bergan Mercy Child Development Center  
 (Nebraska)

Berner Eye Clinic (Utah)

Black River Mental Health Services (Utah)

Blue Valley Mental Health Center (Ne-  
 braska)

Boulder County Partners (Colorado)

Boulder Valley Women's Health Center (Col-  
 orado)

Broadway Counseling Services (Colorado)

Bungalow Care Center (Utah)

California Council of Community Mental  
 Health Agencies

California Society for Clinical Social Work  
 Care Oregon

Cedar Springs Behavioral Health (Colorado)

Centennial Mental Health Center (Colorado)

Center for Counseling and Consultation  
 (Kansas)

Center for Human Development (Kansas)

Center for Independent Living (Kansas)

Center for Psychological Services (Nebraska)

Central District Health Center (Nebraska)

Central Iowa Psychological Services

Central Kansas Psychological

Children and Adults with Attention Deficit/  
 Hyperactivity Disorder (Ohio)

Chiropractic and Spinal Rehabilitation (Col-  
 orado)

City of Geneva Mental Health Board (Illi-  
 nois)

Clarian Health (Methodist Hospital, Indiana  
 University Hospital, Riley's Children's  
 Hospital) (Indiana)

Collidge Mental Health Center (Nebraska)

Colorado Association of Surgical Techni-  
 cians

Colorado Dental Association

Colorado Health and Hospital Association

Colorado Osteopathic Society

Colorado Podiatric Medical Society

Community Adolescent Counseling (Colo-  
 rado)

Community Access Services (Oregon)

Community Counseling Center of Fox Valley  
 (Illinois)

Community Nursing Services (Utah)

Community Pharmacists of Indiana

Community Providers Association of Oregon

Conway Regional Health Systems (Arkansas)

Council of Volunteers and Organizations for  
 Hoosiers with Disabilities (Indiana)

Council on Substance Abuse (Alabama)

Counseling Associates (Utah)

Counseling Center for the Rockies (Colorado)

Coventry Group (Kansas)

Crawford County Health Department (Kan-  
 sas)

Danville Services Corporation (Utah)

Delta Resource Independent Living Center  
 (Arkansas)

Denver Naturopathic Clinic—Colorado

DPF Counseling Services (Kansas)

Dignity Health & Home Care (Utah)

Direct Benefits (Minnesota)

Elgin Mental Health Facility (Illinois)

Family Counseling Service of Aurora, Illi-  
 nois

Family Life Center (Kansas)

Family Medicine Specialists of St. George  
 (Utah)

Fetzer OB-GYN (Illinois)

First Call For Help (Nebraska)

First Plan in Two Harbors (Minnesota)

Fore Chiropractic Clinic (Kansas)

Four Corners Community Behavioral Health  
 (Utah)

Four County Mental Health Center (Kansas)

Franklin County Memorial Hospital (Ne-  
 braska)

Full Circle Alternative Center (Colorado)

Gabriel Chiropractic Office (Colorado)

Geneva Mental Health (Illinois)

Gordon Memorial Hospital (Nebraska)

Greenwood Health Center (Utah)

Gynecology, Obstetrics & Infertility (Colo-  
 rado)

Healthy Mothers—Healthy Babies (Montana)

Heartland Counseling and Consulting (Ne-  
 braska)

Higgins Center for Natural Health (Colorado)

Highland Family Eye Care (Utah)

Highland Ridge Hospital (Utah)

Holladay Family and Child Guidance Clinic  
 (Utah)

Home Health Services and Staffing Associa-  
 tion of New Jersey

Hutchinson Psychological & Family Services  
 (Kansas)

Idaho Hospital Association  
 Independent Living Resource Center (New Mexico)  
 Indiana Association of Rehabilitation Facilities  
 Indiana Pharmacy Alliance  
 Institute for Alcohol Awareness (Fort Collins, Colorado)  
 Institute for Alcohol Awareness (Greeley, Colorado)  
 Intermountain Health Care (Utah)  
 Intermountain Health Care Diabetes Education (Utah)  
 Iowa Breast Cancer Education-Action (IBCE)  
 Iowa Dental Association  
 Iowa Podiatric Medical Society  
 Jane Phillips Nowata Health Center (Oklahoma)  
 Johnson County Hospital (Nebraska)  
 Josephine County Mental Health (Oregon)  
 Kane County Hospital (Utah)  
 KANZA—Mental Health and Guidance Center (Kansas)  
 Kelly Roybal-Sanchez Pediatric Clinic (Colorado)  
 Kentucky Dental Association  
 Kentucky Mental Health Coalition  
 Lane Independent Living Alliance (Oregon)  
 Larimer Center for Mental Health (Colorado)  
 Legislative Coalition of Virginia Nurses  
 Leo Pocha Clinic (Montana)  
 Leukemia Lymphoma Society of Oregon  
 LifeWise Health Plan of Oregon  
 Lincoln/Lancaster County Human Services Federation (Nebraska)  
 Longmont Psychiatric Associates (Colorado)  
 Louisiana Academy of Medical Psychologists  
 Louisiana Association of Ambulatory Healthcare  
 Louisiana Association for the Advancement of Psychology  
 Louisiana Healthcare Commission  
 Louisiana Mental Health Consortium  
 LTC Resolutions (Indiana)  
 Maine Association of Mental Health Services  
 Maine Association of Substance Abuse Programs  
 Maine Nurse Practitioners Association  
 Medical Weight Management (California)  
 Melham Medical Center (Nebraska)  
 Mental Health and Guidance Center (Kansas)  
 Mental Health Associates (Kansas)  
 Mental Health Care Associates (Nebraska)  
 Mental Health Corporation (Colorado)  
 Mental Health Liaison Group  
 Mesability (Colorado)  
 Metro Chiropractic (Nebraska)  
 Midwest Parkinson's Awareness of Northeast Ohio  
 Minnesota Association of Community Mental Health Programs  
 Minnesota Council of Health Plans  
 Missouri Ambulance Association  
 Montana Academy of Ophthalmology  
 Montana Academy of Otolaryngology  
 Montana Association of Ambulatory Surgery Centers  
 Montana Association of Independent Disability Services  
 Montana Council of Community Mental Health Centers  
 Montana Podiatric Medical Association  
 Nebraska Chiropractic Physicians Association  
 Nebraska Dental Association  
 Nebraska Health Care Association  
 Nebraska Methodist Hospital  
 Neighborhood Health Plan of Rhode Island  
 Nemaha County Breast Cancer Support Group (Nebraska)  
 Nevada Dental Hygienists Association  
 New Hampshire Mental Health Coalition  
 New Hampshire Mental Health Counselors Association  
 New Hampshire Pastoral Psychotherapists Association  
 New Mexico Podiatric Medical Association  
 New West Health Services (Montana)  
 Niobrara Valley Hospital (Nebraska)  
 Norfolk Psychological Service (Nebraska)  
 Northstar Mental Health Services (Nebraska)  
 Northwest Alzheimer's Association (Nebraska)  
 Norton Health Care (Kentucky)  
 Nurse Practitioners of Oregon  
 Ogallala Counseling Center (Nebraska)  
 Ohio Ambulatory Behavioral Healthcare Association  
 Ohio Association of Women's Health, Obstetrics and Neonatal Nurses  
 Ohio Clinical Social Work Society  
 Ohio Counseling Association  
 Ohio Council of Behavioral Healthcare Providers  
 Ohio Dietetic Association  
 Old Mill Counseling (Nebraska)  
 Omni Behavioral Health (Nebraska)  
 One Source (Nevada)  
 Oregon Advocates for the Mentally Ill  
 Oregon Association of Physicians' Assistants  
 Oregon Centers for Mental Health and Addiction  
 Oregon Dental Association  
 Oregon Health Sciences University  
 Oregon Optometric Physicians Association  
 Oregon State Denturists' Association  
 Oriental Medical Association of New Mexico  
 Palmer Chiropractic College (Iowa)  
 Park City Family Health and Urgent Care Center (Utah)  
 Parkview Medical Center Department of Pathology (Colorado)  
 Pediatric Pathways (Colorado)  
 Phelps Memorial Health Center (Nebraska)  
 Phoenix Rising Center (Utah)  
 Polk County Mental Health (Oregon)  
 Professional Christian Counseling Services (Nebraska)  
 Providence Medical Center (Nebraska)  
 Pueblo Women's Center—Obstetrics and Gynecology (Colorado)  
 Rainbow Center (Nebraska)  
 Region VI Behavioral Healthcare (Nebraska)  
 Rhode Island Association of Health Centers  
 Rhode Island Autism Project  
 Rhode Island Council of Community Mental Health Organizations  
 Rhode Island Dental Society  
 Richard H. Young Hospital (Nebraska)  
 River Park Psychology Services (Kansas)  
 Riverton Eye Care (Utah)  
 Rock County Hospital (Nebraska)  
 Rural Counties Program, Spanish Peaks Mental Health Center (Colorado)  
 Rural Health Management (Utah)  
 Rural Hospital Coalition (Louisiana)  
 Saint Francis Memorial Hospital (Nebraska)  
 Sanpete Valley Hospital (Utah)  
 Saunders County (Nebraska) Health Services  
 Serenity Place (Nebraska)  
 Shopko Eyecare Center  
 Southwest Kansas Independent Living Resources Center  
 Southwest Utah Community Health Center  
 Spa Area Independent Living Services (Arkansas)  
 St. Mary's Health Network—Oregon  
 Stoney Ridge Day Treatment Center (Nebraska)  
 Sundance Women's Healthcare (Utah)  
 Sweetgrass-Stillwater Mental Health Association (Montana)  
 Swope Parkway Health Center (Missouri)  
 Tennessee Academy of Ophthalmology  
 The Home Team of Kansas  
 The Psychology Clinic (Louisiana)  
 Three Rivers Independent Living (Kansas)  
 Topeka Independent Living Resource Center (Kansas)  
 Town Center Chiropractic (Montana)  
 Tri-County Hospital (Nebraska)  
 Tri-County Mental Health Services—Maine  
 Tulane University Health Sciences Center (Louisiana)  
 United Healthcare—Alabama  
 Utah Society of Pathologists  
 Valley Community Clinic (California)  
 Valley Counseling Services (Ohio)  
 Valley County Hospital (Nebraska)  
 Valley View Medical Center (Utah)  
 Van WYK Family Chiropractic Center (Colorado)  
 Virginia Academy of School Psychologists  
 Virginia Association of Community Services Boards  
 Virginia Association of Free Clinics  
 Virginia Association of Hospices  
 Vision Health Center (Utah)  
 Wasatch Canyon Mental Health (Utah)  
 Washington Massage Therapy Association  
 West Holt Memorial Hospital (Nebraska)  
 Wills Chiropractic Clinic (Nebraska)  
 Willowbrook Mental Health Center (Nebraska)  
 Wiseman Chiropractic Wellness Center (Nebraska)  
 Workman Chiropractic Clinic (Nebraska)  
 Wyoming Counseling Association

HEALTH INSURANCE TRADE ASSOCIATIONS  
 Alabama Associated Life Insurance Companies  
 America's Health Insurance Plans (AHIP)

With additional letters from: Alabama Association of Health Plans, California Association of Health Plans, Georgia Association of Health Plans, Indiana Association of Health Plans, Kansas Association of Health Plans, Kentucky Association of Health Plans, Nebraska Association of Health Plans, Nevada Association of Health Plans, New Jersey Association of Health Plans, North Carolina Association of Health Plans, Ohio Association of Health Plans, Virginia Association of Health Plans, Association of Washington Healthcare Plans, American Managed Behavioral Healthcare Association, American Republic Insurance Company (Iowa)  
 Association of Health Insurance Advisors/National Association of Insurance and Financial Advisors

With additional letters from: Indiana Chapter, Maine Chapter, Nebraska Chapter, Ohio Chapter, Utah Chapter  
 Blue Cross and Blue Shield Association  
 Delta Dental Plans Association

With additional letters from: Delta Dental Plan of Arkansas, Delta Dental Plan of Indiana, Delta Dental Plan of Iowa, Delta Dental Plan of Kentucky, Delta Dental Plan of Minnesota, Delta Dental Plan of New Mexico, Delta Dental Plan of North Carolina, Delta Dental Plan of Virginia  
 Christiana Care Health Plans  
 Cimarron Healthcare (New Mexico)

Federation of Iowa Insurers  
Health Net (Oregon)  
Louisiana Pest Control Insurance Company  
(LIPCA)  
Lovelace Health Systems (New Mexico)  
Magellan Health Services  
National Association of Health Underwriters  
With additional letters from: Alabama  
Chapter, Arkansas Chapter, Central Arkan-  
sas Chapter, Georgia Chapter, Indiana Chap-  
ter, Maine Chapter, Minnesota Chapter, Ne-

vada Chapter, New Hampshire, New Mexico  
Chapter, North Carolina Chapter, Ohio Chap-  
ter, Oregon Chapter, Rhode Island Chapter,  
Virginia Chapter  
Nebraska Association of Professional Insur-  
ance Agents  
Nevada Hometown Health  
NevadaCare  
PacifiCare of Nevada

Principal Financial Group—with additional  
letters from: Iowa Office  
Sierra Health Services (Nevada)  
Tufts Health Plan

Mr. Speaker, I yield such time as he  
might consume to the gentleman from  
New Jersey (Mr. HOLT).

(Mr. HOLT asked and was given per-  
mission to revise and extend his re-  
marks.)

***NOTICE***

***Incomplete record of House proceedings. Today's House proceedings will be continued in the next issue of the Record.***