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House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. MARCHANT).

DESIGNATION OF SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
July 26, 2005.

I hereby appoint the Honorable KENNY MARCHANT to act as Speaker pro tempore on this day.

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

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2005, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 25 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes, but in no event shall debate extend beyond 9:50 a.m.

The Chair recognizes the gentleman from Colorado (Mr. BEAUPREZ) for 5 minutes.

REASONS TO SUPPORT THE CENTRAL AMERICAN FREE TRADE AGREEMENT

Mr. BEAUPREZ. Mr. Speaker, I would like to highlight just a few of the reasons why I am in favor of the Central American Free Trade Agreement, known as CAFTA.

CAFTA is going to level the playing field for U.S. workers and farmers. Right now, the CAFTA countries have virtually open access to our U.S. market. This agreement will give Americans the same free and fair access to their markets. The day CAFTA is signed, nearly $1 billion a year in tariffs on U.S. goods goes away, making us immediately more competitive. Somewhere in this world, farmers will be producing the food and workers will be making the goods to meet the growing demand of the CAFTA nations. I want this demand to be met by American workers.

CAFTA will protect existing American jobs, allow us to compete fairly for more international business and strengthen our relationships with these six developing democracies.

Mr. Speaker, neighbors help each other, and CAFTA is a good neighbor treaty. I urge its adoption.

HEALTH SAVINGS ACCOUNTS: A SOLUTION TO THE HIGH COST OF AMERICA'S HEALTH CARE SYSTEM

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2005, the gentleman from Pennsylvania (Mr. FITZPATRICK) is recognized during morning hour debates for 5 minutes.

Mr. FITZPATRICK of Pennsylvania. Mr. Speaker, I rise today to address the high cost of America's health care system and also to highlight a solution to this problem that not only reduces the number of uninsured in the United States, but gives consumers the ability to rein in the high price of health care on their own terms.

Everyone in this Chamber and across the Nation knows that our Nation is in the midst of a health care crisis. The crisis not only affects patients, but our health care professionals as well. Rising health care costs have left nearly 45 million Americans without health insurance and thousands of small businesses struggling to cover their employees. In my home State of Pennsylvania, over 50 percent of Pennsylvanians surveyed said their family has had difficulty paying the cost of health care or obtaining insurance for their dependents.

Since 2001, the cost of health insurance has risen 59 percent. In 2004, employers who offered health insurance benefits were paying an average of 11 percent more for health insurance premiums, making that year the fourth year of double-digit increases in premiums.

Last year, President Bush spoke of the need to create an ownership society in America. His idea was simple: Pass laws to enable our families to take greater ownership in their investments, their financial security and their future. The idea of an ownership society has already resulted in a booming housing market, impressive job growth and historic economic productivity.

I come to the floor today to say that the ownership society can also change health care as we know it today through the use of Health Savings Accounts. Designed as part of the Medicare Modernization Act of 2003, Health Savings Accounts are tax-free accounts that empower consumers to take control over their own health care expenses.

The principle is simple: If a person has a health insurance plan with a high deductible of at least $1,000 for an individual or $2,000 for family coverage, that person can make pre-tax contributions to a savings account specifically designed to handle health insurance.

Health Savings Accounts are portable, interest-bearing financial instruments. Like a 401(k), contributions to HSAs are made with pre-tax income. Like an IRA, the account grows tax-free and can also be moved from job to job. There is no penalty for the removal of money from an HSA, and if an individual does not use any money from an HSA over the course of a year,

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the money is not lost. Instead, it is rolled over into the next year and without penalty.

Due to the ability of account holders to contribute 100 percent of their deductible in pre-tax income into an HSA, consumers gain an added benefit by having health insurance plans with higher deductibles. The higher the deductible, the more they are able to invest without a tax penalty.

For business owners, especially small businesses, HSAs allow employers to lower health care spending and simultaneously reap a tax benefit. These incentives will motivate more businesses to take advantage of Health Savings Accounts.

I can relate to you a first-hand account of the success of HSA for small businesses. Last week, I hosted a Small Business Forum back in my State of Pennsylvania that brought together small business owners and employees from across my district to discuss the issue of the cost of rising health care premiums.

The gentleman from Illinois (Chairman MANZULLO) and I heard from George Donovan, the principal of a small architectural firm that employs 30 people. Mr. Donovan testified that the health insurance he pays accounts for nearly 50 percent of his total insurance costs. Three years ago, his firm's health insurance premium was $120,000 per year. By switching to an HSA, he was able to cut that amount by half, to just $60,000, in his first year.

Like many employers, George Donovan does not believe in employing individuals without health insurance. He found through staff interviews that health insurance is the number one criteria for accepting a job or for staying with his firm. By all measures, his adoption of HSAs has helped his bottom line, as well as allowed him to retain trained and talented staff.

Health Savings Accounts empower Americans across the country to make informed choices. Instead of being tied into a traditional plan that limits choice and keeps the consumer at arm's length from the health care market, Health Savings Accounts allow individuals and businesses to take an active role in choosing how to spend their money.

According to Andy Laperriere in a Wall Street Journal article of January 24 of this year, ''health care is the only sector in the economy where there is almost no price transparency and no price competition.''

Laperriere's article is correct. How many of us actually understand the cost of a medical test or procedure? Most of the information in a medical or hospital bill is too complicated to understand, and most health insurance plans compound that confusion.

HSAs create an economic incentive for consumers to shop for care competitively, become involved in the market and save more money with HSAs. Since you are able to keep that money that you do not spend in your HSA, it makes sense to purchase the best care at the lowest possible price. Therefore, the widespread use of HSAs will create an educated class of consumers that will cut administrative costs, lower overhead and reduce the cost of health care for the majority of Americans.

Mr. Speaker, I call on my colleagues to support Health Savings Accounts and legislation that will expand and support their use. The best way to lower the cost of health care is to make the consumer an active participant in the market. Health Savings Accounts do just that, and bring us one step closer to an ownership society.

RECOGNIZING THE 15TH ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2005, the gentleman from New Jersey (Mr. HOLT) is recognized during morning hour debates for 5 minutes.

Mr. HOLT. Mr. Speaker, I rise today to recognize the 15th anniversary of the Americans with Disabilities Act, enacted on July 26, 1990.

The ADA occupies a unique place in our political and social history, providing sweeping protections against discrimination for a group that had suffered legal inequities and indignities from time immemorial. The accommodations that ADA afforded to persons with disabilities, in employment, public and private services, transportation and telecommunications, demonstrated that all Americans are entitled to legal protection from discrimination.

Just as the Civil Rights Act of 1964 was essential to eliminating legal justifications for denying equal rights to African Americans and others, the Americans with Disabilities Act constituted a step forward by prohibiting discrimination against persons with disabilities; and just as passage of the Civil Rights Act was a necessary precursor to the elimination of racism in practice, we still have some distance to go in order to eliminate popular prejudice and stigmatization of persons with disabilities.

In Congress, I have worked with the disability community to ensure that all Americans are afforded the full protection of the law. I have introduced legislation to require that staff working with developmentally disabled persons call emergency services in the event of a life-threatening situation. Danielle's Law would extend the New Jersey law to the rest of the country.

I have introduced the Voter Confidence and Increased Accessibility Act, legislation to amend the Help America Vote Act, to require a voter-verified paper audit trail and to ensure that any system of verification be fully accessible for all voters.

In the Committee on Education and Workforce, I successfully amended H.R. 4278, the Improving Access to Assistive Technology For Individuals With Disabilities Act of 2004, in order to allow protection and advocacy agencies to carry over program income, funds generated by program activities, that is, for 2 additional years. This change will enable these programs to reinvest the earned funds into additional services and assistance in the acquisition, utilization and maintenance of assistive technology.

I have opposed the Department of Education's efforts to gut the Rehabilitation Services Administration, a program that has literally changed people's lives, providing the tools for disabled persons to live and work independently and with dignity. I fought for a full 40 percent funding for Individuals With Disability Education Act, the IDEA, which the Federal Government neglects. We are underfunding it by at least a factor of two.

The Americans with Disabilities Act has allowed great gains in the past 15 years, but there is much yet to be done. We must continue to ensure that jobs are open to persons with disabilities and that these valuable employees have the necessary accommodations. We must continue to make accessible transportation and housing options and grant access to community-based supports and services that promote independence and integration. We must also commit to continued education and job training for all Americans.

Since the passage of the ADA, I have been concerned with the interpretation of the law by Federal courts with regard to protections offered and individuals protected. The Federal courts' narrow interpretation of ADA has prevented it from achieving all that it was designed to do. As the Senate considers the nomination of a new Supreme Court justice, I hope the Senate will fully inquire as to his views on the application of the ADA.

Again, I would like to recognize the 15th anniversary of the Americans with Disabilities Act. I value the advances that our country has achieved because of legal protections it extends, and I look forward to continuing to work on behalf of Americans with disabilities.

PATRIOT ACT PROTECTS RIGHTS OF AMERICANS

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2005, the gentlewoman from Virginia (Mrs. DRAKE) is recognized during morning hour debates for 5 minutes.

Mrs. DRAKE. Mr. Speaker, I think it is important to point out that last week, before we left here, we did a very important thing on Thursday night, and that is that we reauthorized the PATRIOT Act. I think it is important to remember that in 2001, when this act was first put into place, that there were no ''no'' votes. But now, 4 years later, Mr. Speaker, there is a great deal of concern among the American people that our freedoms be protected, and we often hear the expression that if we

give up a little bit of freedom for a little bit of security, that we would have neither.

As Americans, we value our freedoms. We value the freedom of speech, we value our freedom of privacy, we value the protections that we have against unnecessary search and seizure. But as Americans we also know that things have changed.

I do not think there is a parent or grandparent in America today that would tell you that their lives today are what they were when they were children. I can assure you, Mr. Speaker, when I have my grandchildren with me, they have very little freedom, and that I never take my eye off of them because we do live in a different day and a different time, and the securities that we felt as children just do not exist today.

As I drove home last week and I was stuck in traffic, which we all know is certainly a reoccurring thing in our society, but I was listening to a radio program about the PATRIOT Act. What really concerned me about what Americans are being told is that Americans are being told that somehow this is onerous, that we have done the PATRIOT Act, and that our freedoms are being impacted in this act.

What Americans are not being told is that the same provisions that exist in this act have been in place for many years in regards to criminal cases, in regards to child pornography, in regards to drug offenses, in regards to mob bosses.

What the PATRIOT Act did is added foreign terrorism into the same types of provisions that already exist. The PATRIOT Act also broke down walls to allow law enforcement officials to interact together and to make sure that information is being shared and that we as Americans are as safe as we can possibly be. I think that is an important element of the PATRIOT Act, is that it is not new. It is existing law enforcement that has been extended over.

But, Mr. Speaker, it is only fair to remind people that there are additional requirements that are placed in the PATRIOT Act on the provision of foreign terrorism. What some of those provisions are is that under the criminal code, law enforcement gets grand jury permission in order to do what they are doing. Under the PATRIOT Act, that required the permission of a Federal judge. With the amendments that we did Thursday night in regards to the one the American people talked about the most called the ''library provision,'' or what we referred to as section 215, which would allow them to check books and records, now it will require that the Director of the FBI make that request to a Federal judge. So to imply to the American people that someone is checking what books we check out is just unfair, and it is unfair to all of us who do expect to put some safety and some security back into our lives and to the lives of our children.

Mr. Speaker, there is nothing else we can do except to really explain what is the PATRIOT Act, how does it keep us safer and how does it interact with our other criminal codes.

I would like to also point out that the ''library act,'' as it is called, has been used many times in regards to the criminal code, but it has not once been used in regards to foreign terrorism. Is it something we should take away? No, absolutely not, because why should we tie the hands of our law enforcement professionals on one area that is so critical to us when this exists in other provisions of the law?

Mr. Speaker, I applaud the House of Representatives for reauthorizing the PATRIOT Act. I was a little distressed that we put additional requirements in place, but if that is what it takes for people to feel safe and secure, all right. But the most important thing is I think the public should know the truth. They should know how the PATRIOT Act is protecting them and defending them and not impacting their freedoms.

FINDING GOOD NEWS

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2005, the gentleman from Georgia (Mr. PRICE) is recognized during morning hour debates for 5 minutes.

Mr. PRICE of Georgia. Mr. Speaker, sometimes I get tired of all the bad news. You come here and you listen to the speeches that go before the House and you think, my goodness gracious, there must be all sorts of bad news out there.

When I go home and I talk to constituents at home about any issue, I often lead off with saying, ''I am going to have to tell you some things that you haven't seen on television and that you haven't read in the newspaper,'' because the good news, the good news that is happening here, oftentimes gets smothered with all the bad news and all the political sniping that goes on.

I was pleased to hear the gentlewoman from Virginia (Mrs. DRAKE) just now get up and demonstrate her passion, her passion, for principles that we hold dear here in the United States. I was also wonderfully pleased to hear the gentleman from Pennsylvania (Mr. FITZPATRICK) earlier talk about the importance of health care and Health Savings Accounts, an exciting proposal, an exciting policy that we have here, that we have adopted in the Congress, that will allow individuals greater choice in health care. That is good news. That is good news.

When I read my local paper, I have got to get way down in that paper before I see good news. In terms of politics, all you see is who is fighting whom and what will not happen. It is remarkable.

So I am here to talk about a little good news today, because we have good news that we need to spread across this Nation.

There has been a remarkable turnaround in this Nation's economy. The policies that this Congress have adopted have helped our Nation recover from attacks at home, recover from corporate scandals, recover from the bursting of the tech bubble and the incredible demands that we have facing us as a Nation in the War on Terror. These are real challenges, incredible challenges, but we are a strong and a vibrant and a resourceful Nation, and we can overcome these challenges, and, frankly, any other that folks throw in our way.

But what are the principles that are guiding us? Strong, common sense, conservative principles that foster entrepreneurship and almost guarantee success. These are the true engines, entrepreneurship, of job growth and strength in our economy.

From tax relief, to a responsible decrease in areas of our Federal budget, this Republican major is leading the way with a return to fiscal discipline and economic growth as our guideline. And what are the results? What are the results? There used to be somebody on television that said, ''Let's go the videotape.'' Here we say, ''Let's go to the chart.''

Look at this chart. This is May 2003 and these are the number of jobs that have been created in this Nation. May 2003. And look where we are in June 2005. It is a steady increase in growth in the number of jobs. That is exciting news. That is good news. Have you seen it in your newspaper? Have you heard about it on television or on the radio? Probably not. But that is good news, and it is good news that is happening because of the policies that this Congress has adopted.

More Americans are working now than ever before. More Americans are working than ever before in our Nation's history. Nearly 4 million jobs have been created over the past 2 years. The economy has had job growth, more job growth, 24 straight months. Look at that, 24 straight months. That is good news.

Unemployment is at 5 percent. Say, what is that? Well, it is lower than the averages for the 1970s, the 1980s and the 1990s. Unemployment is at an all-time low, given the averages over the last three decades. Unemployment is down for all levels of education, all races and all ages. This is great news.

So I ask my colleagues and I ask folks back home when they pick up their newspaper, do not look at the front page; go to page 7 or 8 or 9 or further, and you may find some good news there. Those are the kinds of stories that need to be on the front page.

Mr. Speaker, we in Congress here are going to continue to work in a positive and a confident way, one that is trustful of Americans and one that appreciates and believes in America. I look forward to being joined by my colleagues on both sides of the aisle to further these common sense principles.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 23 minutes p.m.), the House stood in recess until 10 a.m.

□ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. GINGREY) at 10 a.m.

PRAYER

The Reverend W. Don Young, Senior Pastor, Heartland Worship Center, Paducah, Kentucky, offered the following prayer:

My Lord God in heaven, the leaders of this Nation pause every day to acknowledge Your grace, Your mercy, and most of all Your blessings. They acknowledge by this exercise that this Nation was built on your principles.

And Father God, it appears that we are the players that will determine the destiny of this beloved United States of America. Good people all over the world believe we are standing on a precipice at this moment in history.

Either America renews her relationship with You, or we continue our moral free fall, which, sadly to say, will ultimately mean our demise. We, the pastors, political leaders, we just cannot allow that to happen. So God help us to guide this great people in such a way that You can bless America again.

Please help us to honor You and You alone with the decisions that will be made today and in future sessions. It is in my Lord's name that I ask these things. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Missouri (Mr. CARNAHAN) come forward and lead the House in the Pledge of Allegiance.

Mr. CARNAHAN led the Pledge of Allegiance as follows:

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

RECOGNIZING PASTER W. DON YOUNG

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

Mr. WHITFIELD. Mr. Speaker, I want to thank Pastor Don Young of the Heartland Worship Center in Paducah, Kentucky, for leading today's opening prayer.

Pastor Young was born and raised in Childress, Texas, and following his graduation from Baptist Bible College in Springfield, Missouri, he became the founding pastor of the Bible Baptist Church in Paducah, Kentucky, where he ministered to the needs of the founding 29 members of that church.

Pastor Young has been there now for 45 years, and the church has 3,000 members and is now known as the Heartland Worship Center. Average Sunday attendance is 1,700, largely because of Pastor Young's unique preaching style and the programs he has initiated to meet the spiritual needs of people from all walks of life.

Heartland's vision statement is: Influencing people to come, instructing people to grow, inspiring people to go.

Under Pastor Young's leadership, the center supports 29 missionaries in foreign countries and the United States, assists the members of the congregation with counseling needs, supports the mission projects endorsed by the Southern Baptist Convention, helps with the spiritual and moral development of our youth, and honors our men and women in uniform as they prepare for deployment overseas.

Heartland Worship Center is blessed to have such a dedicated servant whose compassion and faith have guided him throughout his entire life.

Mr. Speaker, I hope you will join me in welcoming Pastor Young and thanking him for today's prayer.

THE MEDICAL PROFESSION NEEDS HELP

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

Mr. PRICE of Georgia. Mr. Speaker, you remember the old Peanuts cartoon strip, and the booth with the sign on it that said, ''The doctor is in''? Well, too many times these days nobody is in at the doctor's office, and we are not currently improving the situation.

Many doctors are being forced to shut their doors and leave the practice of medicine due to skyrocketing insurance premiums. In addition, medical schools are seeing fewer young people apply, not as many people interested in becoming doctors.

This week we will be talking a lot about problems and solutions to the challenges we face in health care, and a few questions we must answer are: Where will our doctors come from? What can we do to increase the number and maintain the quality of those wanting careers in medicine?

Skyrocketing medical school costs raise critical questions. Is the cost of medical schools preventing some of our best and brightest from choosing to become a doctor? How will this affect the quality of care for all patients?

Mr. Speaker, patient choice is about being able to choose the doctor that is right for you. If bright young people are not going into medicine, we all lose. Let us work to improve our system so patients will be able to have the right to choose the doctor that is best for them.

CAFTA IS BAD FOR AMERICA

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

Mr. KUCINICH. Mr. Speaker, the North American Free Trade Agreement caused 5.6 million well-paying jobs to leave the United States. If they were replaced at all, they were replaced by insecure, low-wage employment paying 77 percent less.

CAFTA, modeled after the North American Free Trade Agreement, will hurt workers in the United States and Central America. Under CAFTA workers are much more likely to lose their jobs than find better ones, especially if they work in U.S. manufacturing or Central American agriculture, small business or government.

U.S. workers will have to compete in a race to the bottom with sweatshop wages and low standards in Central America reinforced by the weak labor provisions in CAFTA. Provisions that will stay in effect are those like those in El Salvador where they fail to provide for reinstatement of workers fired because of antiunion discrimination; as in Guatemala, where the labor code mandates that unions obtain permission from the labor unions to strike; as in Honduras, where the law prohibits the formation of more than one trade union in a single enterprise.

CAFTA will result in lower wages for the people in this country. It will result in the loss of jobs in this country, and it should be defeated.

REEXAMINE THE BRAC PROCESS

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

Mr. POE. Mr. Speaker, I have some concerns with the base closure process currently taking place. Under the recommendations, Ellington Field in Houston, Texas, is scheduled to lose all of the F–16s and the 147th Fighter Wing. This would endanger the ability to protect southeast Texas.

The base closure criteria is based upon military and strategic importance, but it also needs to factor in homeland security risk assessments as well. The F–16s at Ellington Field protect Houston, the fourth largest city in the United States.

The city has two major airports. It has the largest medical center in the United States. It is, of course, the home of NASA. It has the Port of Houston, the second largest port in the United States, and two additional ports, Port Arthur and the Port of

Beaumont where one-third of the military cargo goes to Iraq, not to mention the petrochemical area and the energy capital of the world.

So, Mr. Speaker, I plan on introducing a resolution in Congress this week that will call on the President to factor in homeland security in the base closure process and disapprove of any recommendation unless the President is convinced that the recommendations will not adversely affect homeland security in the United States. We need to keep the F–16s flying over Houston.

POSTAL MODERNIZATION

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

Mr. BLUMENAUER. Mr. Speaker, today we will be considering important legislation dealing with the modernization of the Postal Service. It contains some important provisions I have been working on since I came to Congress to make sure that the postal facilities, which are the cornerstone of a livable community, are, in fact, playing by the same rules as the rest of America.

Too often the Postal Service has not played by those rules, with bad results in site location, building and remodeling. While the Postal Service has made some improvements in recent years managing these facilities, this legislation makes clear that the Postal Service will obey local land zoning, planning and environmental regulations, very important developments, playing by the same rules as the rest of America.

It will hasten the day when the U.S. Government itself as the largest landlord, landowner and employer, will lead by example, and behave the way we expect the rest of Americans to behave. It will not cost any extra, but it will help make American families safer, healthier and more economically secure.

IMMIGRATION REFORM

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

Mr. FLAKE. Mr. Speaker, today the Senate will hold hearings to start the process for comprehensive immigration reform. We will soon start those same hearings hopefully in the House.

As we begin this, I simply want to remind everyone here that we believe in the rule of law. We need to enforce the rule of law. We need to enforce our Nation's laws, but in order to do so, we have to have laws that we can enforce.

Those who say let us enforce the law, the current law, and then have a temporary worker program have yet to offer a proposal to actually enforce the current law, which would require that the 10- to 15 million illegals who are now, most of them, working in jobs would actually be deported to their country of origin and subject to a 10-year bar from reentry.

If that is what people mean by enforcing the current law, then please offer a proposal to do so. But, if not, then let us work together on a comprehensive plan for comprehensive immigration reform that has a guest worker plan and also a provision to enforce the new law. That is what we need to do in this country.

NEED FOR ACCOUNTABILITY ON THE CIA OPERATIVE LEAK

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

Mr. INSLEE. Mr. Speaker, as the sordid tale is unfolding about the Bush administration's outing of one of our covert intelligence agents, as that unfolds, there is an aspect that I just learned about, I wanted to share with my colleagues, last week.

Last week with some Senators, we had a hearing where we listened to former CIA agents about the impact of this event on our national security system, and these four agents spoke as one. And what they said was interesting to me, because what they said was the outing was bad enough where they destroyed the covert status of one of our spies, but what is almost as bad or worse is that the President has refused to take action to deal with whoever is responsible for that wrongful act.

And to them that was a message that the President just did not honor the trust we have to keep the secrecy of our spies secret. That makes it more difficult to recruit. We are trying to recruit people for cells in London right now. How are we going to recruit them when we out, the administration outs, a spy and does not take action to deal with that?

That is as disturbing as the outing originally. The President needs to act. We need to pass House Resolution 363 to get to the bottom of this.

SUPPORT CAFTA

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

Mr. PENCE. Mr. Speaker, I have always believed that trade means jobs, and that is especially true on the Indiana farm. As we consider the Central America Free Trade Agreement, think of this.

Today U.S. agricultural goods exported to that region of the world face tariffs and barriers of 15 to 35 percent. By ending the one-way street, CAFTA will essentially result in my State seeing up to $41 million a year in additional agricultural exports.

Trade means jobs. Not that this is a new idea. Adam Smith wrote in A Wealth of Nations in 1776, ''All for ourselves and nothing for other people seems, in every age of the world, to have been the vile maxim of the masters of mankind.''

Even Benjamin Franklin said, ''No nation was ever ruined by trade.'' And Ralph Waldo Emerson wrote in his personal journal, We rail at trade, but the historian of the world will see that it was the principle of liberty; that it settled America, destroyed feudalism, made peace and keeps peace, and abolished slavery.

All of those great American Founders and thinkers were right. Trade means jobs. I urge my colleagues to support CAFTA in that spirit.

OPPOSITION TO CAFTA

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

Mr. CARNAHAN. Mr. Speaker, I rise this morning to address my strong opposition to the Central American Free Trade Agreement. I oppose CAFTA not because I oppose trade, but because I oppose unfair trade agreements that fail to stand up for our national economic interests and protect American jobs.

□ 1015

There are a number of problems with this agreement that make it impossible for me and many of my colleagues on both sides of the aisle to support it. The blatant deficiencies regarding environmental standards, labor standards, and our agriculture interests are the most glaring.

Now, this Congress can consider the CAFTA proposal only on an up-or-down vote with no amendments allowed. Entering into an agreement that does not require the Central American countries to strengthen their environmental laws does a disservice to the workers and citizens of all countries involved.

Our choice is clear, Mr. Speaker. I urge each of my colleagues to reject this unfair trade agreement and send our representatives back to renegotiate a better deal for the American people.

HONORING SERGEANT SHAMUS GOARE

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

Mr. NEY. Mr. Speaker, today I rise to reflect on the remarkable life of Staff Sergeant Shamus O. Goare, who died June 28 in service to his country. A native of Danville, Ohio, Sergeant Goare was killed when his Chinook transport helicopter came under attack by a rocket propelled grenade in the mountains of eastern Afghanistan. He was 28 year old.

Sergeant Goare gave the ultimate sacrifice to his country. By celebrating his life, we will ensure that in death he will not be forgotten.

Sergeant Goare joined the Army in 1994. As a member of the elite Night Stalkers, Sergeant Goare willingly took on some of the most dangerous missions presented. He was posthumously awarded the Bronze Star, the

Purple Heart, the Meritorious Service Medal, and an Air Medal with Valor and the Combat Action Badge. It is clear that Sergeant Goare was an excellent soldier and a remarkable citizen. His devotion to his country is an inspiration to us all.

His sacrifice is a testament to his devotion to our great land, and his heroic efforts must never be forgotten. I extend my deepest condolences to his parents and other family and friends. It is an honor to pay tribute to Sergeant Goare's life, contributions, and dedication as an American. May God rest his soul.

AUCTIONING OFF THE PEOPLE'S HOUSE

(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, the New York Times reports that during the Vioxx trial in Texas, a cardiologist testified that the pain killer likely led to the needless death of Robert Ernst. Mr. Ernst was a produce manager at Wal-Mart who also ran marathons and worked as a personal trainer.

He took Vioxx for 8 months before he died of an irregular heartbeat, making him one of the 55,000 people who needlessly died as a result of taking Vioxx.

As we debate medical malpractice legislation tomorrow, I hope my colleagues will keep Mr. Ernst's tragedy in mind. Only in this Congress would we consider legislation that specifically protects the drug manufacturers like Merck from any form of liability while a trial is presently ongoing that directly affects that legislation. I am not aware of any other industry that gets this type of liability protection just for going through a governmental approval process.

While families such as Mr. Ernst's fight for fairness in court, this body, the people's House, is fighting to protect the drug companies. I plan to introduce the Vioxx amendment striking this blatantly beneficial provision written for and by the pharmaceutical industry.

Mr. Speaker, when your gavel opens up the people's House, it should open up the people's House and their voices should be heard, not the auction house.

SMALL BUSINESS HEALTH FAIRNESS ACT

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

Mrs. KELLY. Mr. Speaker, I rise today to urge my colleagues to support the Small Business Health Fairness Act. We will vote on it later today.

We need to increase access and lower the cost of health insurance for small business owners, their employees, and their families.

I represent New York's Hudson Valley where small business owners and self-employed workers tell me time and time again that the toughest challenge they face is finding affordable health care coverage.

Seven out of 10 small businesses do not offer health insurance because they cannot afford the overwhelming costs on their own in the private market.

The Small Business Fairness Act would provide them with the lower costs they need by giving then the same group health insurance purchasing power already being enjoyed by unions and large corporations.

Small businesses on Main Street in towns like Warwick, Goshen, Wappinger, or Mount Kisco deserve the same health insurance advantages that the large firms have on Wall Street. Let us give our small businesses the option by passing this bill.

Studies show it will give 8 million currently uninsured small business workers the affordable access to health insurance they need. Please support America's small businesses and join me in voting for the Small Business Health Fairness Act.

CAFTA HURTS CANDY MAKERS

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

Mr. DAVIS of Illinois. Mr. Speaker, Chicago used to be known as the Candy Capital of the World. Unfortunately, sugar makers, food processors, and other sugar users have been driven out of the city by high prices.

Despite all of my other misgivings, I had hoped that CAFTA would provide us with some relief. But, unfortunately, to let in only 151,000 metric tons of sugar from CAFTA countries over a 15-year period will not put a dent in sugar prices. It will not help the candy makers and food processors in Chicago. Therefore, I shall vote against CAFTA and urge all of my colleagues to vote likewise.

HONORING THE CREW, SCIENTISTS, AND TECHNICIANS OF THE ''DISCOVERY''

(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, in just a few moments the Space Shuttle *Discovery* is due to lift off from its pad in Florida. Last year, Mr. Speaker, I was a member of the House Committee on Science; and in that role I want to acknowledge the wonderful work of the scientists and technicians and the crew of the *Discovery* who uphold the great tradition of our space program.

Barely 1 month into my first term in the 108th Congress, we lost the Space Shuttle *Columbia* over Texas. We felt the concussion from that blast in my north Texas district.

Mr. Speaker, the return to flight was pursued in a careful, methodical fashion with a mission of strict adherence to safety. On momentous occasions like today, we remember those who sacrificed their lives, and we honor them by continuing America's quest to observe and learn from our galaxy and universe. May God guard those members while they lift off from Florida and see them safely home.

NO STRAIGHT ANSWERS FROM BUSH WHITE HOUSE

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

Mr. PALLONE. Mr. Speaker, for 2 years now the Bush White House has covered up its involvement in the leaking of a CIA agent's identity. Now it appears members of the administration are also misleading a grand jury investigating whether or not any laws were broken when Karl Rove, Scooter Libby, and possibly others leaked Valerie Plame's identity to reporters.

According to reports over the weekend, CHENEY's chief of staff, Scooter Libby, told the grand jury that he first heard about Valerie Plame's identity from NBC's Tim Russert, but Russert claims that that was impossible since he did not even know Plame was a CIA agent.

In the meantime, Karl Rove told the grand jury that his conversation with Time magazine's Matt Cooper was mostly about welfare reform until Rove leaked Valerie Plame's identity at the end of the conversation. But Cooper says he and Rove never discussed welfare reform. Instead, he says, the entire conversation was about Plame.

Now, despite these alarming discrepancies, Bush continues to support both men. Mr. Speaker, our covert CIA agents needs President Bush to stand firm against these actions now.

CAFTA BENEFITS AMERICAN BUSINESSES

(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 in support of the United States-Dominican Republic-Central American Free Trade Agreement.

The United States and our neighbors in Central America and the Dominican Republic enjoy a healthy trading relationship with over $32.6 billion worth of goods traded between the United States and the six DR–CAFTA countries just last year. The agreement will not only increase exports and income for United States farmers, manufacturers and business, but it also will provide the United States with an opportunity to enhance the well-being of millions in Central America.

The DR–CAFTA countries are among the poorest in the world. According to the World Bank, the average person in

Nicaragua makes a mere $710 a year. The average person in Costa Rica does a bit better, but still only makes $4,070 a year.

Rather than handouts or loans, the United States can quickly improve the well-being of millions of our neighbors by providing the DR–CAFTA countries improved access to our vast markets. New business opportunities create new jobs, not handouts. In turn, a virtuous circle can be created as wealth and income rises along with the demands for United States products and services.

I urge all of my colleagues to vote ''yes'' on CAFTA. It is good for America's business.

HEALTH CARE ACCESS FOR LATINOS

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

Ms. SOLIS. Mr. Speaker, I rise today to address the Republican leadership's failure to bring up legislation that actually addresses the health care problems of American families.

Currently, 45 million Americans are uninsured. Uninsured numbers are even worse for the Latino communities which have the highest uninsured rate of any racial and ethnic group; 13 million Latinos are uninsured. That is more than one-third of the Nation's Latino population.

Latinos make up 14 percent of the U.S. population, nearly 42 million people. Yet the administration's leadership continues to ignore the significant population. This week's legislation on association health plans and medical malpractice demonstrates the Republican leadership's inability to acknowledge the devastating impact these proposals will have on my community.

These proposals will facilitate rampant fraud, raise premiums, and reduce benefits to Latino families. If the current Republican leadership really wants to reduce the number of uninsured and reduce health care costs, then it needs to bring up legislation to the floor that addresses health care problems for all American families, including the 9.1 million Latino families in the U.S.

CAFTA GOOD FOR WORKERS AND CONSUMERS

(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, this week we will debate CAFTA. All of the Nation's major newspaper editorial boards support CAFTA. Listen to these quotes.

The Washington Post cites a study that shows U.S. income would increase by $17 billion under CAFTA. The Wall Street Journal says CAFTA would expand the market for U.S. goods with the 44 million consumers of six Central American countries. The Journal goes on to say that American farmers would be among the biggest winners under CAFTA.

USA Today says CAFTA would slash tariffs on agriculture products coming from the U.S. The L.A. Times says the benefits of free trade are evenly spread across society, citing rapid growth and higher income of free trading nations.

Even the New York Times claims that this free trade agreement ''deserves to approved.''

In addition to these editorial boards, Central American workers and leaders overwhelmingly support this agreement. Mr. Speaker, they cannot all be wrong. I, therefore, urge my colleagues to vote in favor of CAFTA. More trade means more jobs.

MEDICAL MALPRACTICE RELIEF HURTS THE COUNTRY

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

Mr. BERRY. Mr. Speaker, we are going to be back here this week and try to convince the American people that we are trying to help them with their health care costs by passing yet again a medical malpractice insurance relief act.

The really sad thing about this is it does not help the cost of health care in this country. It does improve the bottom line considerably for the insurance companies. But the most egregious parts of this is the way it protects the irresponsible drug companies. We are going to provide tort protection. We are going to provide protection from lawsuits to Merck who knowingly put a product on the market that caused 139,000 Americans to have hearts attacks unnecessarily. And they knew it would do that when they put it on the market.

We are going to provide protection to an industry that cares nothing about the health of the people. It cares nothing about anything but making a few million more dollars.

I urge this House to defeat that measure.

INSPIRING DISABLED VETERANS

(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, after returning to the United States, many disabled veterans devote themselves to their community with the same dedication they displayed on the battlefields and bases around the world. Specifically, thousands of veterans put their skills and talents to use by operating successful small businesses.

Today, I am proud to announce an event that will pay special attention and tribute to service-disabled business owners. On August 19, Mr. Bernard Smith will host a charity golf tournament at Andrews Air Force Base to raise money for three disabled veterans groups. Twelve disabled veterans who served in Operation Iraqi Freedom have enthusiastically volunteered to participate in the golf tournament. These servicemembers are determined to lead full and successful lives and are an inspiration to all Americans.

Mr. Smith's leadership on this event is truly honorable. As a service-disabled business owner, he understands the importance of supporting those who have already given so much to our country.

In conclusion, God bless our troops; and we will never forget September 11 and the attacks on Egypt.

PRIVATIZING SOCIAL SECURITY

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

Mr. CARDOZA. Mr. Speaker, when are Washington Republicans going to listen to the American people?

At the beginning of this year, President Bush unveiled a general plan that would lead to the privatization of Social Security. When his plan was met with a lukewarm response, President Bush decided that he would travel around the Nation for 60 days trying to sell the American people on the concept of privatizing Social Security.

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The American people listened, and they gave President Bush a resounding no. Our constituents paid into Social Security, and they want it paid back to them when they retire. Cutting Social Security benefits that Americans have earned should always be a last resort.

And yet recently there was legislation introduced by the Republicans that would divert payroll contributions from Americans to create private accounts. By taking money away from Social Security, the Republican plan would explode the deficit or force deep cuts in guaranteed benefits our Nation's citizens have already been promised.

It is time to listen to our constituents and realize Americans are not going to back Social Security privatization. Let us strengthen Social Security rather than destroy it.

IN SUPPORT OF FREE TRADE AND CAFTA

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

Mr. HENSARLING. Mr. Speaker, this week Congress will consider the Central American Free Trade Agreement, the largest free trade agreement in over a decade. I am very proud to support this agreement that will create opportunities for the unemployed, increase wages and improve the standard of living for American workers.

According to a study of only 12 States by the U.S. Chamber of Commerce, CAFTA would create over 25,000 new jobs in these States in the first year alone. According to the American Farm Bureau, CAFTA will provide a substantial competitive advantage to U.S. farmers and ranchers, boosting agricultural exports by $1.5 billion annually.

Mr. Speaker, this historic agreement will also help consumers by delivering a greater choice of goods at lower prices. Through more trade, American families will be able to buy more, using less of their paychecks. We have over 200 years of history to prove it.

Mr. Speaker, I urge all my colleagues to reject protectionism and instead support jobs, support U.S. farmers, support consumers, and support freedom by supporting CAFTA.

WHY ARE REPUBLICANS NOT INVESTIGATING PLAME OUTING BY WHITE HOUSE OFFICIALS?

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

Ms. WATSON. Mr. Speaker, today, a grand jury continues to investigate into the leaking of an undercover agent's identity. Thank goodness a grand jury is taking this case seriously, since it does not appear that either the White House or House Republicans are interested in finding out who is responsible for leaking Valerie Plame's identity.

Back in the 1990s, House Republicans loved ''Roving'' around in the White House's business. House Republicans took 140 hours of testimony to investigate whether the Clinton White House misused its holiday card database. They also once asked President Clinton to explain how the White House responded to letters sent to the President's cat, Socks.

But now that we have an issue that is clearly begging for congressional oversight, House Republicans have been silent. They have not sent a single letter to the White House demanding answers. They have not held congressional hearings to investigate the impact such a leak could have on our ability to gather intelligence.

The leaking of a CIA agent's identity is a serious breach of our national security, and something must be done about it.

DOMINICAN REPUBLIC-CENTRAL AMERICAN FREE TRADE AGREEMENT

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

Mrs. BIGGERT. Mr. Speaker, I rise today in strong support of DR–CAFTA. It is not often I agree with the editorial page of The Washington Post, but I want to commend the editorial staff for its outstanding piece today entitled ''The Stakes in CAFTA.''

The stakes in CAFTA are indeed high and go far beyond issues of tariffs and trade barriers. As the Post put it, ''While the U.S. has been focusing on terrorism, a new challenge has been brewing in its own hemisphere. House Members should consider this challenge before voting to slam the door on Central America's pro-American leaders.''

The Post concludes that CAFTA will help the poor of Latin America, creating 300,000 new jobs and a new mechanism for enforcing labor rights. I quote, ''The defeat of CAFTA would help not antipoverty movements but anti-American demagogues, starting with Mr. Chavez of Venezuela. For them, the retreat of the U.S. from partnership with Central America would be a major victory.''

Mr. Speaker, I would urge support of DR–CAFTA.

SOCIAL SECURITY

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

Mrs. DAVIS of California. Mr. Speaker, my colleagues have been saying all along that the recently introduced Social Security GROW Act does not address the future solvency of Social Security, that it will cut guaranteed Social Security benefits, and that it continues the raid on the Social Security Trust Fund, despite what its sponsors say.

Well, you do not have to take our word for it. Even my friends on the other side of the aisle have begun to publicly question their party's plan. The gentleman from Arizona (Mr. KOLBE) said in USA Today that ''you must eat your spinach before having dessert, and this plan only offers dessert: the personal retirement accounts.'' Senator CHUCK GRASSLEY of Iowa said in the L.A. Times that he was ''disappointed that the new House Republican bill did not address Social Security's impending insolvency.'' And the gentleman from Connecticut (Mr. SIMMONS) said to Bloomberg News, ''I do not support legislation that takes tax dollars and diverts them to private accounts.''

This legislation is not the way to preserve Social Security. As we prepare to celebrate the 70th anniversary of Social Security, we should be straightening it rather than jeopardizing our citizens' hard-earned retirement savings.

H.R. 2049, FEDERAL CONTRACTORS SECURITY ACT

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

Mrs. BLACKBURN. Mr. Speaker, the Washington Post carries an editorial this morning on illegal immigration, and it talks about the Senate beginning to take up that issue today. I look forward to our discussion and continued work on that issue here in the House. It is an issue that is of tremendous importance to my home State of Tennessee.

I would like to call the body's attention to a bill that I filed that deals with immigration reform, H.R. 2049, the Federal Contractors Security Act. What this does is to require those companies contracting with the Federal Government to use the basic worker verification program to ensure us, the taxpayers, that the individuals working for them are in the country legally and that they are who they claim to be.

Mr. Speaker, this is a national security issue, it is a homeland security issue, it is an issue of tremendous importance. I encourage the body to look at H.R. 2049, and I encourage our leadership to take aggressive action to fight illegal immigration.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

Record votes on postponed questions will be taken later in the day.

UNITED STATES TRADE RIGHTS ENFORCEMENT ACT

Mr. THOMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3283) to enhance resources to enforce United States trade rights, as amended.

The Clerk read as follows:

H.R. 3283

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''United States Trade Rights Enforcement Act''.

SEC. 2. SENSE OF CONGRESS.

It is the sense of Congress that—

(1) United States producers that believe they are injured by subsidized imports from nonmarket economy countries have not been able to obtain relief through countervailing duty actions because the Department of Commerce has declined to make countervailing duty determinations for nonmarket economy countries in part because it lacks explicit legal authority to do so;

(2) explicitly making the countervailing duty law under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) applicable to actions by nonmarket economy countries would give United States producers access to import relief measures that directly target government subsidies;

(3) the Bureau of Customs and Border Protection of the Department of Homeland Security has encountered particular problems in collecting countervailing and antidumping duties from new shippers who default on their bonding obligations;

(4) this behavior may detract from the ability of United States companies to recover from competition found to be unfair under international trade laws;

(5) accordingly, it is appropriate, for a test period, to suspend the availability of bonds for new shippers and instead require cash deposits;

(6) more analysis and assessment is needed to determine the appropriate policy to respond to this and other problems experienced in the collection of duties and the impact that policy changes could have on legitimate United States trade and United States trade obligations;

(7) given the developments in the ongoing World Trade Organization (WTO) negotiations relating to trade remedies, Congress reiterates its resolve as expressed in House Concurrent Resolution 262 (107th Congress), which was overwhelmingly approved by the House of Representatives on November 7, 2001, by a vote of 410 to 4;

(8) the United States Trade Representative should monitor compliance by United States trading partners with their trade obligations and systematically identify areas of noncompliance;

(9) the United States Trade Representative should then aggressively resolve noncompliance through consultations with United States trading partners;

(10) however, should efforts to resolve disputes through consultation fail, the United States Trade Representative should vigorously pursue United States rights through dispute settlement in every available forum;

(11) given the huge growth in trade with the People's Republic of China, its impact on the United States economy, and the complaints voiced by many United States interests that China is not complying with its international trade obligations, the United States Trade Representative should place particular emphasis on identifying and resolving disputes with China that limit United States exports, particularly concerning compliance with obligations relating to intellectual property rights and enforcement, tariff and nontariff barriers, subsidies, technical barriers to trade, sanitary and phytosanitary issues, nonmarket-based industrial policies, distribution rights, and regulatory transparency;

(12) in addition, the United States Trade Representative should place particular emphasis on trade barriers imposed by Japan, specifically the Japanese trade ban on United States beef without scientific justification, the Japanese sanitary and phytosanitary restrictions on United States agricultural products, Japanese policies on pharmaceutical and medical device reference pricing, insurance cross-subsidization, and privatization in a variety of sectors that discriminate against United States companies;

(13) the fixed exchange rate that the People's Republic of China has maintained until recently has been a substantial distortion to world markets, blocking the price mechanism, impeding adjustment of international imbalances, and serving as a source of large and increasing risk to the Chinese economy;

(14) such behavior has effectively prevented market forces from operating efficiently in the People's Republic of China, distorting world trade;

(15) in a welcome move, the People's Republic of China has now begun to move to a more flexible exchange rate, and it should continue to so move to a market-based exchange rate as soon as possible;

(16) in light of this recent positive development, the Secretary of Treasury should provide to Congress a periodic assessment of the mechanism adopted by the Chinese Government to relate its currency to a basket of foreign currencies and the degree to which the application of this mechanism moves the currency closer to a market-based representation of its value;

(17) in addition, Japan's policy of intervening to influence the value of its currency and its prolific barriers to trade create distortions that disadvantage United States exporters;

(18) this adverse impact is magnified by Japan's role in the global marketplace, combined with its chronic surplus, weak economy, deflationary economy, low growth rate, and lack of consumer spending; and

(19) accordingly, the United States Trade Representative should have additional resources in the Office of the General Counsel, the Office of Monitoring and Enforcement, the Office of China Affairs, and the Office of Japan, Korea, and APEC Affairs to address a variety of needs that will best enable United States companies, farmers, and workers to benefits from the trade agreements to which the United States has around the world.

SEC. 3. APPLICATION OF COUNTERVAILING DUTIES TO NONMARKET ECONOMY COUNTRIES.

(a) AMENDMENTS.—

(1) COUNTERVAILING DUTIES IMPOSED.—Section 701(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1671(a)(1)) is amended by inserting ''(including a nonmarket economy country)'' after ''country'' each place it appears.

(2) DEFINITION OF COUNTERVAILABLE SUBSIDY.—Section 771(5)(E) of such Act (19 U.S.C. 1677(5)(E)) is amended by adding at the end the following new sentences: ''With respect to the People's Republic of China, if the administering authority encounters special difficulties in calculating the amount of a benefit under clause (i), (ii), (iii), or (iv) of this subparagraph, the administering authority may use methodologies for identifying and measuring the subsidy benefit which take into account the possibility that prevailing terms and conditions in China may not always be available as appropriate benchmarks. When applying such methodologies, where practicable, the administering authority should adjust such prevailing terms and conditions before considering the use of terms and conditions prevailing outside China.''.

(b) PROHIBITION ON DOUBLE COUNTING.—In applying section 701(a)(1) of the Tariff Act of 1930, as amended by subsection (a), to a class or kind of merchandise of a nonmarket economy country, the administering authority shall ensure that—

(1) any countervailable subsidy is not double counted in an antidumping order under section 731 of such Act (19 U.S.C. 1673) on the same class or kind of merchandise of the country; and

(2) the application of section 701(a)(1) of such Act is consistent with the international obligations of the United States.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) apply to any petition filed under section 702 of the Tariff Act of 1930 (19 U.S.C. 1671a) on or after 30 days after the date of the enactment of this Act, and the provisions contained in subsection (b) apply to any subsequent determination made under section 733, 735, or 751 of such Act (19 U.S.C. 1673b, 1673d, or 1675).

SEC. 4. NEW SHIPPER REVIEW AMENDMENT.

(a) SUSPENSION OF THE AVAILABILITY OF BONDS TO NEW SHIPPERS.—Clause (iii) of section 751(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1675(a)(2)(B)(iii)) shall not be effective during the 3-year period beginning on the date of the enactment of this Act.

(b) REPORT ON THE IMPACT OF THE SUSPENSION.—Not later than 2 years after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Secretary of Commerce, the United States Trade Representative, and the Secretary of Homeland Security, shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing—

(1) recommendations on whether the suspension of the effectiveness of section 751(a)(2)(B)(iii) of the Tariff Act of 1930 should be extended beyond the date provided in subsection (a) of this section; and

(2) assessments of the effectiveness of any administrative measures that have been implemented to address the difficulties giving rise to the suspension under subsection (a) of this section, including—

(A) problems in assuring the collection of antidumping duties on imports from new shippers; and

(B) burdens imposed on legitimate trade and commerce by the suspension of availability of bonds to new shippers by reason of the suspension under subsection (a).

(c) REPORT ON COLLECTION PROBLEMS AND ANALYSIS OF PROPOSED SOLUTIONS.—

(1) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Commissioner of the Bureau of Customs and Border Protection and the Secretary of Commerce, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report describing the major problems experienced in the collection of duties, including fraudulent activities intended to avoid payment of duties, with an estimate of the total amount of uncollected duties for the previous fiscal year and a breakdown across product lines describing the reasons duties were uncollected.

(2) RECOMMENDATIONS.—The report shall make recommendations on additional actions to address remaining problems related to duty collections and, for each recommendation, provide an analysis of how the recommendation would address the specific problem or problems cited and the impact that implementing the recommendation would have on international trade and commerce (including any additional costs imposed on United States businesses and whether the implementation of the revision is likely to violate any international trade obligations).

SEC. 5. COMPREHENSIVE MONITORING OF COMPLIANCE BY THE PEOPLE'S REPUBLIC OF CHINA WITH ITS INTERNATIONAL TRADE OBLIGATIONS.

(a) INTELLECTUAL PROPERTY RIGHTS COMPLIANCE.—

(1) IN GENERAL.—In accordance with the terms of the Agreement of WTO Accession for the People's Republic of China, subsequent agreements by Chinese authorities through the U.S.-China Joint Commission on Commerce and Trade (JCCT), and other obligations by Chinese officials related to its trade obligations, the United States Trade Representative and the Secretary of Commerce shall undertake to ensure that the Government of the People's Republic China has taken the following steps:

(A) The Chinese Government has increased the number of civil and criminal prosecutions of intellectual property rights violators by the end of 2005 to a level that significantly decreases the current amount of infringing products for sale within China.

(B) China's Supreme People's Court, Supreme People's Procuratorate, and Ministry of Public Security have issued draft guidelines for public comment to ensure the timely referral of intellectual property rights violations from administrative bodies to criminal prosecution.

(C) The Chinese Ministry of Public Security and the General Administration of Customs have issued regulations to ensure the

timely transfer of intellectual property rights cases for criminal investigation.

(D) The Chinese Ministry of Public Security has established a leading group responsible for overall research, planning, and coordination of all intellectual property rights criminal enforcement to ensure a focused and coordinated nationwide enforcement effort.

(E) The Chinese Government has established a bilateral intellectual property rights law enforcement working group in cooperation with the United States whose members will cooperate on enforcement activities to reduce cross-border infringing activities.

(F) The Chinese Government has aggressively countered movie piracy by dedicating enforcement teams to pursue enforcement actions against pirates and has regularly instructed enforcement authorities nationwide that copies of films and audio-visual products still in censorship or import review or otherwise not yet authorized for distribution are deemed pirated and subject to enhanced enforcement.

(G) By the end of 2005, the Chinese Government has completed its legalization program to ensure that all central, provincial, and local government offices are using only licensed software and by the end of 2006 has extended the program to enterprises (including state-owned enterprises).

(H) The Chinese Government, having declared that software end-user piracy is considered to constitute ''harm to the public interest'' and as such will be subject to administrative penalties nationwide, has initiated civil and criminal prosecutions of software end-user violators.

(I) The Chinese Government has appointed an Intellectual Property Rights Ombudsman at the Chinese Embassy in Washington, D.C., to serve as the point of contact for United States companies, particularly small- and medium-sized businesses, seeking to secure and enforce their intellectual property rights in China or experiencing intellectual property rights problems in China.

(J) The relevant Chinese agencies, including the Ministry of Commerce, the China Trademark Office, the State Intellectual Property Office, and the National Copyright Administration of China have significantly improved intellectual property rights enforcement at trade shows and issued new regulations to achieve this goal.

(K) Not later than June 30, 2006, the Chinese State Council has submitted to the National People's Congress the legislative package needed for China to accede to the World Intellectual Property Organization (WIPO) Internet treaties.

(L) The Chinese Government has taken steps to enforce intellectual property right laws against Internet piracy, including through enforcement at Internet cafes.

(M) The Chinese Government, having confirmed that the criminal penalty thresholds in the 2004 Judicial Interpretation are applicable to sound recordings, has instituted civil and criminal prosecutions against such violators.

(N) The Chinese Government has initiated civil and criminal prosecutions against exporters of infringing recordings.

(2) DISPUTE SETTLEMENT PROCEEDINGS IN WTO.—If the President determines that the People's Republic of China has not met each of the obligations described in subparagraphs (A) through (N) of paragraph (1) or taken steps that result in significant improvements in protection of intellectual property rights in accordance with its trade obligations, then the President shall assign such resources as are necessary to collect evidence of such trade agreement violations for use in dispute settlement proceedings against China in the World Trade Organization.

(b) ACCESS FOR EXPORTS OF UNITED STATES GOODS.—In accordance with the terms of the Agreement of WTO Accession for the People's Republic of China, subsequent agreements by Chinese authorities through the U.S.-China Joint Commission on Commerce and Trade (JCCT), and other obligations by Chinese officials related to its trade obligations, the United States Trade Representative and the Secretary of Commerce shall undertake to ensure that the Government of the People's Republic of China has taken the following steps:

(1) China has taken steps to ensure that United States products can be freely distributed in China, including by approving a significant backlog of distribution license applications and by preparing a regulatory guide for businesses seeking to acquire distribution rights that expands on the guidelines announced in April 2005.

(2) Chinese officials have permitted all enterprises in China, including those located in bonded zones, to acquire licenses to distribute goods throughout China.

(3) The Chinese Government has submitted regulations on management of direct selling to the Chinese State Council for review and taken any additional steps necessary to provide a legal basis for United States direct sales firms to sell United States goods directly to households in China.

(4) The Chinese Government has issued final regulations on direct selling, including with respect to distribution of imported goods and fixed location requirements.

(c) ACCESS FOR EXPORTS OF UNITED STATES SERVICES.—In accordance with the terms of the Agreement of WTO Accession for the People's Republic of China, subsequent agreements by Chinese authorities through the U.S.-China Joint Commission on Commerce and Trade (JCCT), and other obligations by Chinese officials related to its trade obligations, the United States Trade Representative and the Secretary of Commerce shall undertake to ensure that the Government of the People's Republic of China has taken the following steps:

(1) The Chinese Government has convened a meeting of the U.S.-China Insurance Dialogue before the end of 2005 to discuss regulatory concerns and barriers to further liberalization of the sector.

(2) The Chinese Government has made senior level officials available to meet under the JCCT Information Technology Working Group to discuss capitalization requirements, resale services, and other issues as agreed to by the two sides.

(d) ACCESS FOR UNITED STATES AGRICULTURE.—In accordance with the terms of the Agreement of WTO Accession for the People's Republic of China, subsequent agreements by Chinese authorities through the U.S.-China Joint Commission on Commerce and Trade (JCCT), and other obligations by Chinese officials related to its trade obligations, the United States Trade Representative and the Secretary of Agriculture shall undertake to ensure that the Government of the People's Republic of China has taken the following steps:

(1) China has completed the regulatory approval process for a United States-produced corn biotech variety.

(2) China's Administration of Quality Supervision, Inspection and Quarantine has implemented the 2005 Memorandum of Understanding between the United States and China designed to facilitate cooperation on animal and plant health safety issues and improve efforts to expand United States access to China's markets for agricultural commodities.

(e) ACCOUNTING OF CHINESE SUBSIDIES.—In accordance with the terms of the Agreement of WTO Accession for the People's Republic of China, subsequent agreements by Chinese authorities through the U.S.-China Joint Commission on Commerce and Trade (JCCT), and other obligations by Chinese officials related to its trade obligations, the United States Trade Representative and the Secretary of Commerce shall undertake to ensure that the Government of the People's Republic of China has provided a detailed accounting of its subsidies to the World Trade Organization by the end of 2005.

(f) REPORTS.—

(1) BIANNUAL REPORT.—Not later than six months after the date of the enactment of this Act, and every six months thereafter, the President should transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that contains—

(A) a description of the specific steps taken by the Government of the People's Republic of China to meet its obligations described in subsections (a) through (e) of this section (other than obligations described in subsections (a)(1)(A) and (G), (b)(1), (c)(1), and (e));

(B) an analysis of the extent to which Chinese officials are attempting in good faith to meet such obligations; and

(C) a description of the actions, if any, the President will take to obtain compliance by China if the President determines that the Chinese Government is failing to meet such obligations, including pursuing United States rights under the dispute settlement provisions of the World Trade Organization, as appropriate.

(2) MONTHLY REPORT.—Not later than 30 days after the date of the enactment of this Act, and every 30 days thereafter, the President should transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that contains—

(A) a description of the specific steps taken by the Government of the People's Republic of China to meet its obligations described in subsections (a)(1)(A) and (G), (b)(1), (c)(1), and (e);

(B) an analysis of the extent to which Chinese officials are attempting in good faith to meet such obligations; and

(C) a description of the actions, if any, the President will take to obtain compliance by China if the President determines that the Chinese Government is failing to meet such obligations, including pursuing United States rights under the dispute settlement provisions of the World Trade Organization, as appropriate.

SEC. 6. REPORTS ON CURRENCY MANIPULATION BY FOREIGN COUNTRIES.

(a) REPORT ON CURRENCY MANIPULATION.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the appropriate congressional committees a report that—

(1) defines currency manipulation;

(2) describes actions of foreign countries that will be considered to be currency manipulation; and

(3) describes how statutory provisions addressing currency manipulation by trading partners of the United States contained in, and relating to, section 40 of the Bretton Woods Agreements Act (22 U.S.C. 286y) and sections 3004 and 3005 of the Exchange Rates and International Economic Policy Coordination Act of 1988 (22 U.S.C. 5304 and 5305) can be better clarified administratively to provide for improved and more predictable evaluation.

(b) REPORT ON ACTIONS BY CHINA.—

(1) IN GENERAL.—In light of the recent positive announcement by the Government of the People's Republic of China with respect to increased exchange rate flexibility, the

Secretary of the Treasury shall submit to the appropriate congressional committees a report that examines the mechanism adopted by the Chinese Government to relate its currency to a basket of foreign currencies and the degree to which the application of this mechanism moves the currency closer to a market-based representation of its value.

(2) DEADLINE.— The initial report required by this subsection shall be submitted to the appropriate congressional committees not later than 180 days after the date of the enactment of this Act and subsequent reports shall be included in the report required under section 3005 of the Exchange Rates and International Economic Policy Coordination Act of 1988 (22 U.S.C. 5305).

(c) DEFINITION.—In this section, the term ''appropriate congressional committees'' means—

(1) the Committee on Ways and Means and the Committee on Financial Services of the House of Representatives; and

(2) the Committee on Finance and the Committee on Banking, Housing, and Urban Affairs of the Senate

SEC. 7. AUTHORIZATION OF APPROPRIATIONS FOR THE OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Section 141(g)(1)(A) of the Trade Act of 1974 (19 U.S.C. 2171(g)(1)(A)) is amended by striking clauses (i) and (ii) and inserting the following:

''(i) $44,779,000 for fiscal year 2006.

''(ii) $47,018,000 for fiscal year 2007.''.

(2) RULE OF CONSTRUCTION.—The amendment made by paragraph (1) shall not be construed to affect the availability of funds appropriated pursuant to section 141(g)(1)(A) of the Trade Act of 1974 before the date of the enactment of this Act.

(b) AUTHORIZATION OF APPROPRIATIONS FOR THE OFFICE OF THE GENERAL COUNSEL AND CERTAIN OTHER OFFICES.—There are authorized to be appropriated to the Office of the United States Trade Representative for the appointment of additional staff in or enhanced activities by the Office of the General Counsel, the Office of Monitoring and Enforcement, the Office of China Affairs, and the Office of Japan, Korea, and APEC Affairs—

(1) $4,000,000 for fiscal year 2006; and

(2) $4,000,000 for fiscal year 2007.

(c) SENSE OF CONGRESS.—It is the sense of the Congress that the enforcement of United States rights and of obligations of United States trading partners under trade agreements has gained such significance that the United States Trade Representative should determine which of its current positions is most responsible for carrying out these important enforcement duties and should assign that position, in addition to any other title, the title of Chief Enforcement Officer.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES INTERNATIONAL TRADE COMMISSION.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 330(e)(2)(A) of the Tariff Act of 1930 (19 U.S.C. 1330(e)(2)(A)) is amended by striking clauses (i) and (ii) and inserting the following:

''(i) $62,752,000 for fiscal year 2006.

''(ii) $65,890,000 for fiscal year 2007.''.

(b) RULE OF CONSTRUCTION.—The amendment made by subsection (a) shall not be construed to affect the availability of funds appropriated pursuant to section section 330(e)(2)(A) of the Tariff Act of 1930 before the date of the enactment of this Act.

(c) STUDY AND REPORT ON TRADE AND ECONOMIC RELATIONS WITH CHINA.—

(1) STUDY.—

(A) IN GENERAL.—The United States International Trade Commission shall carry out a comprehensive study on trade and economic relations between the United States and the People's Republic of China which addresses China's economic policies, including its exchange rate policy, the competitiveness of its industries, the composition and nature of its trade patterns, and other elements impacting the United States trade account, industry, competitiveness, and employment.

(B) REQUIREMENTS.—In carrying out the study under subparagraph (A), the United States International Trade Commission shall undertake the following:

(i) An analysis of the United States trade and investment relationship with China, with a focus on the United States-China trade balance and trends affecting particular industries, products, and sectors in agriculture, manufacturing, and services. The analysis shall provide context for understanding the U.S.-China trade and investment relationship, by including information regarding China's economic relationships with third countries and China's changing policy regime and business environment. The analysis shall include a focus on United States-China trade in goods and services, United States direct investment in China, China's foreign direct investment in the United States, and the relationship between trade and investment. The analysis shall make adjustments, where possible, for merchandise passed through Hong Kong.

(ii) An analysis of the competitive conditions in China affecting United States exports and United States direct investment. The analysis shall take into account, to the extent feasible, significant factors including tariffs and non-tariff measures, competition from Chinese domestic firms and foreign-based companies operating in China, the Chinese regulatory environment, including specific regulations and overall regulatory transparency, and other Chinese industrial and financial policies. In addition, the analysis shall examine the specific competitive conditions facing United States producers in key industries, products, services, and sectors, potentially including computer and telecommunications hardware, textiles, grains, cotton, and financial services based on trade and investment flows.

(iii) An examination of the role and importance of intellectual property rights issues, such as patents, copyrights, and licensing, in specific industries in China, including the pharmaceutical industry, the software industry, and the entertainment industry.

(iv) An analysis of the effects on global commodity markets of China's growing demand for energy and raw materials.

(v) An examination of whether or not increased United States imports from China reflect displacement of United States imports from third countries or United States domestic production, and the role of intermediate and value-added goods processing in China's pattern of trade.

(2) REPORT.—Not later than one year after the date of the enactment of this Act, the United States International Trade Commission shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that contains the results of the study carried out under paragraph (1).

SEC. 9. SENSE OF CONGRESS REGARDING EXPANSION OF MEMBERSHIP IN THE AGREEMENT ON GOVERNMENT PROCUREMENT OF THE WTO.

(a) FINDINGS.—Congress finds the following:

(1) Nondiscriminatory, procompetitive, merit-based, and technology-neutral procurement of goods and services is essential so that governments can acquire the best goods to meet their needs for the best value.

(2) The Agreement on Government Procurement (GPA) of the World Trade Organization (WTO) provides a multilateral framework of rights and obligations founded on such principles.

(3) The United States is a member of the GPA, along with Canada, the European Union (including its 25 member States: Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxemburg, Malta, the Netherlands, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, and the United Kingdom), Hong Kong, Iceland, Israel, Japan, Korea, Liechtenstein, the Netherlands with respect to Aruba, Norway, Singapore, and Switzerland.

(4) Albania, Bulgaria, Georgia, Jordan, the Kyrgyz Republic, Moldova, Oman, Panama, and Taiwan are currently negotiating to accede to the GPA.

(5) The People's Republic of China joined the WTO in December 2001, signaling to the international community its commitment to greater openness.

(6) When China joined the WTO, it committed, in its protocol of accession, to negotiate entry into the GPA ''as soon as possible''.

(7) More than 3 years after its entry into the WTO, China has not commenced negotiations to join the GPA.

(8) Recent legal developments in China illustrate the importance and urgency of expanding membership in the GPA.

(9) In 2002, China enacted a law on government procurement that incorporates preferences for domestic goods and services.

(10) The first sector for which the Chinese Government has sought to implement the new government procurement law is computer software.

(11) In March 2005 the Chinese Government released draft regulations governing the procurement of computer software.

(12) The draft regulations require that non-Chinese software companies meet conditions relating to outsourcing of software development work to China, technology transfer, and similar requirements, in order to be eligible to participate in the Chinese Government market.

(13) As a result of the proposed regulations, it appears likely that a very substantial amount of American software will be excluded from the government procurement process in China. The draft software regulations threatened to close off a market with a potential value of more than $8 billion to United States firms.

(14) United States software companies have made a substantial commitment to the Chinese market and have made a substantial contribution to the development of China's software industry.

(15) The outright exclusion of substantial amounts of software not of Chinese origin that is apparently contemplated in the regulations is out of step with domestic preferences that exist in the procurement laws and practices of other WTO member countries, including the United States.

(16) The draft regulations do not adhere to the principles of nondiscriminatory, procompetitive, merit-based, and technology-neutral procurement embodied in the GPA.

(17) The software piracy rate in China has never fallen below 90 percent over the past 10 years.

(18) Chinese Government entities represent a very significant portion of the software market in China that is not dominated by piracy.

(19) The combined effect of rampant software piracy and the proposed discriminatory government procurement regulations will be a nearly impenetrable barrier to market access for the United States software industry in China.

(20) The United States trade deficit with China in 2004 was $162,000,000,000, the highest with any economy in the world, and a 12.4 percent increase over 2003.

(21) China's Premier, Wen Jiabao, has committed to rectify this serious imbalance by increasing China's imports of goods and services from the United States.

(22) The proposed software procurement regulations that were described by the Chinese Government in November 2004 incorporate policies that are fully at odds with Premier Wen's commitment to increase China's imports from the United States, and will add significantly to the trade imbalance between the United States and China.

(23) Once it is fully implemented, the discriminatory aspects of China's government procurement law will apply to all goods and services that the government procures.

(24) Other developing countries may follow the lead of China.

(25) In July 2005, senior officials of the Chinese Government announced at the U.S.-China Joint Committee on Commerce and Trade that China would accelerate its efforts to join the GPA and toward this end will initiate technical consultations with other WTO member countries and accordingly delay issuing draft regulations on software procurement, as it further considers public comments and makes revisions in light of WTO rules.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Government of the United States should strive to expand membership in the Agreement on Government Procurement of the World Trade Organization (WTO);

(2) the Government of the United States should ensure that the Government of the People's Republic of China meets its WTO obligations as recently affirmed through its commitment in July 2005 through the U.S.-China Joint Committee on Commerce and Trade, to join the WTO Agreement on Government Procurement.

(3) the Government of the United States should seek a commitment from the Government of the People's Republic of China to maintain its suspension of the implementation of its law on government procurement, pending the conclusion of negotiations to accede to the Agreement on Government Procurement of the WTO;

(4) the Government of the United States should seek commitments from the Government of the People's Republic of China and other countries that are not yet members of the Agreement on Government Procurement of the WTO to implement the principles of openness, transparency, fair competition based on merit, nondiscrimination, and accountability in their government procurement as embodied in that agreement; and

(5) the President should direct all appropriate officials of the United States to raise these concerns with appropriate officials of the People's Republic of China and other trading partners.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

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

The United States Trade Rights Enforcement Act, as amended, is a compendium of a number of positions that have been expressed in a bipartisan way by Members of this House in regard to some of our trading partners.

This bill has been identified as an ''anti-China'' bill. That simply is not the case. The provisions to assist us in determining how you examine a nonmarket economy and determine whether or not it is carrying out practices that are in violation of the WTO is applied to any country with a nonmarket economy.

It is true that there are monitoring provisions dealing with agreements that China has voluntarily laid on the table; for example, moving away from the Government of China using counterfeit software and, therefore, protecting intellectual property rights, and China assigned itself the date of the end of calendar year 2005. This merely creates a monitoring process to determine how it can be achieved.

The bill is very timely because it includes another monitoring process just recently announced by the Government of China dealing with its currency, its desire to unpeg its currency to the U.S. dollar and have it move modestly against a basket of world currencies. That also, in this legislation, would be monitored.

I am pleased to say that the gentleman from New York (Mr. RANGEL) and the gentlewoman from Connecticut (Mrs. JOHNSON) have examined and offered a resolution on the government procurement agreement of the World Trade Organization urging China to fully participate. That is included as well.

This bill is designed to meet a number of Members' particular concerns focused on world trade, not just China. For example, additional money is being provided to the United States Trade Representative for enforcement purposes. Yes, it includes the Office of China Affairs, but I do want Members to know it also includes the Office of Japan, Korea, and Asian Pacific Affairs because there are several provisions in here monitoring, frankly, the Government of Japan based upon its unfair trade practices, most focused on the use of so-called sanitary and phytosanitary measures as, in fact, nontariff trade barriers.

So this is a compendium of concerns presented at a time that the trade issues will be in front of us this week, and leadership felt, and I agree as well, that this measure allows us to focus beyond this hemisphere, in fact, at major trading partners and behavior that we have seen not just in terms of providing tools to enforce U.S. trade rights, but to monitor personal individual and voluntary commitments made by governments as well.

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

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

Mr. Speaker, we object to the suspension calendar being used for political purposes. As most of us know, this calendar is supposed to be used to expedite legislation that is not controversial and has no substantial opposition. One would hardly believe that this bill is on the calendar today for purposes of improving our trade relationship with the People's Republic of China.

Clearly, for those who are following the Central American Free Trade Agreement with the Dominican Republic, they know that this is another effort to elicit votes for a bill that has not got bipartisan support and should have bipartisan support. I think it is bad policy and bad politics for our foreign policy and certainly our trade policy to be used in an effort to solicit votes or to be done in a partisan way to see who won and who lost.

The chairman of the committee is right that the Democrat side as well as working with the gentlewoman from Connecticut (Mrs. JOHNSON) is very anxious to clear up the complexities that put the United States at a disadvantage as relates to dealing with the Chinese Government. But at the same time, we truly believe that these bills should not be the Rangel bill with Democrats or the English bill with Republicans, but rather a bill that we can say as members of the Committee on Ways and Means and as Member of Congress that we have taken it to the committees, we have had hearings, and we have come out with a position that you do not have to check the party to know whether it is right or whether it is wrong.

There is a substantial difference between the bills that the Democrats put in, which certainly deals with the provisions that are in the bill before us today, but also it prevents the loopholes that are in that bill and provides for other considerations that would make this a better bill and improve our relationship with China.

Again, Mr. Speaker, this bill has nothing to do with China and has everything to do with an attempt to get votes for DR–CAFTA. We hope that a vote against this bill will send a message to Democrats and Republicans not to use the procedures of the House for political purposes; to not put controversial bills on the suspension calendar, and to take them to the committee of jurisdiction where they belong so that they can be discussed, debated, and then brought to the floor in a bipartisan way so that we can look at it.

Mr. Speaker, I hope this bill is pulled so that we do not have to take a vote on it.

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

□ 1045

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

Mr. Speaker, I find it ironic that the gentleman from New York (Mr. RANGEL) would call this bill controversial. Perhaps there may be some envy as opposed to who gets credit, and I apologize for mentioning his name if that is his concern. What we do not want to do is engage is unnecessary bashing, as it has been said.

This is a responsible bill. Some of the other measures, and we saw that in the

hearings that the Committee on Ways and Means has had over China and other trade concerns, this bill is backed by hearings notwithstanding what the gentleman from New York (Mr. RANGEL) said. But most of the other pieces of legislation in fact violate the very WTO rules that we desire China and other nations to follow.

This bill does not do that. It is a responsible bill responding in ways that are appropriate. Inappropriate responses that actually violate the WTO rules when trying to make the point that other nations should follow them is, in fact, irresponsible.

Mr. Speaker, I ask unanimous consent to yield the remainder of my time to the gentleman from Pennsylvania (Mr. ENGLISH) who has been instrumental in producing this bill, and that the gentleman from Pennsylvania (Mr. ENGLISH) may control the remainder of the time.

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

There was no objection.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I yield myself 3½ minutes.

Mr. Speaker, the argument from the other side of the aisle that this issue is somehow tied to CAFTA, I think, is particularly striking and particularly odd because the underlying bill that we are considering today should be on the consent calendar; it should not be controversial with the bulk of people in this Congress who care about the American economy.

Mr. Speaker, today the House has the opportunity to vote on a bill that will take the largest step toward strengthening our trade remedy laws in over 15 years. This bill is a comprehensive approach towards eliminating many of the inequities that exist in our trading relationships, particularly our bilateral U.S.-China trade relationship. It holds China and others accountable and creates tough mechanisms to ensure compliance with trade agreements and provides tools for us to gain compliance should our trading partners, particularly China, fail to do so.

Voting for this bill today will send a strong signal to Beijing that Congress will not sit idly by while China's mercantilist trade policy injures U.S. employers and costs us jobs. Voting for this bill today will send a strong signal to China and every country that this Congress will do what it takes to ensure that our trading partners fully abide by the rules and are not rewarded with unfettered access to our market when they are not prepared to make the tough choices to follow the international rules.

It is clear that voting against this bill will send a very dangerous signal that this Congress is willing to turn a blind eye to Chinese complacency and we continue with the status quo of unfairness to our producers.

Mr. Speaker, this bill is a strong, responsible, and comprehensive initiative that would close an existing loophole that bars the use of the countervailing duty law against nonmarket economies such as China. Right now a major tool in our arsenal is unavailable in dealing with a nonmarket economy or communist countries. It is ridiculous that when we find subsidies in France, Japan, Brazil, or Taiwan, we can use countervailing duties to strip the benefits of those subsidies, but we cannot do so if we find the same subsidies in China or Vietnam.

This bill would establish a strong and external system to audit China's compliance with trade obligations on intellectual property rights, market access, and transparency; and it would place Congress strongly on the record as opposing attempts to use the WTO to water down domestic trade law protections.

It would require the Treasury Department to define currency manipulation and clarify legal protections against China and other countries that manipulate their currency. It would increase funding for the United States trade representative to create more trade cops to improve enforcement of existing trade laws.

By replacing current bonds that are used by new shippers in antidumping cases with cash deposits, we are dealing with one of the biggest loopholes.

Finally, it would authorize funding for the International Trade Commission.

Mr. Speaker, passage of this legislation is essential for the economic future of the next generation, for the future of good-paying jobs in places like northwestern Pennsylvania where we make things for a living. We need this legislation passed by a Congress willing to come together, to put aside its political differences, and certainly not vote down this legislation merely for political positioning on another trade agreement.

Mr. Speaker, I urge passage of this key legislation. This is the top trade vote of this year, and everyone will be counted on it.

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

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN), the distinguished ranking member of the Subcommittee on Trade.

Mr. CARDIN. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me this time.

Mr. Speaker, normally the gentleman from Pennsylvania (Mr. ENGLISH) and I are on the same side when it comes to antidumping and countervailing duty bills. Both of us have a strong desire to make sure that our antidumping laws and countervailing duty laws are enforced, particularly as it relates to our manufacturing industries. We differ on this bill.

This bill purports to move forward and clarify the use of countervailing duty remedies against nonmarket economies, but it establishes two new loopholes that will make it difficult for industry to get relief. It is already difficult for industry to get relief. This bill will make it more difficult.

I find it difficult how people can understand our debate here today. These are very complicated issues talking about double counting. I would like to have a debate with the gentleman from Pennsylvania (Mr. ENGLISH) in regards to problems of double counting. These are complex issues. This bill is on the suspension calendar. We cannot even offer any amendments or substitutes. We are limited to 40 minutes of debate. That is not the way we should be talking about a major issue concerning our relationships with nonmarket economies and our trading rules.

This bill does address some specific issues, but does not address the problems. As it deals with countervailing duties, it creates two new problems for cases to be filed.

In regard to currency manipulation by China, an issue that many of us have talked about on this floor, what does this bill do, it sets up another study by the Treasury Department. We already know what they are going to do. They have already reported back to us. We need action.

In regard to the use of safeguards, no action in this bill.

International property violations, no action in this bill.

In regards to the loophole Chinese exporters have to avoid paying duties, it provides a temporary 3-year provision rather than permanently fixing the action.

Despite what the gentleman from Pennsylvania said, there is no new money in this bill in order to enforce our laws. We have already gone through the appropriation process what this bill purports to do through the suspension calendar.

Mr. Speaker, we should be able to consider H.R. 3306 introduced by the gentleman from New York (Mr. RANGEL). That bill would fix the countervailing duty problems we have with nonmarket economies such as China. It would allow us to take action against Chinese manipulation of currency. It would allow action to be taken in regards to the safeguards that we have negotiated with China on the WTO accession agreement. It would provide permanent relief in regards to the loophole that Chinese exporters are currently using to avoid duties.

That is the legislation we should be able to consider, at least through amendment, but we cannot because of the process that is being used here. The bottom line is this legislation actually creates more problems in industry being able to bring antidumping or countervailing duty actions, and we should not be making it more difficult. It is already too difficult for industries to get the type of relief that they desire. We should have a full and open debate on our relationship with nonmarket economies. This legislation does not allow us to do it. I urge my colleagues to reject the suspension.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. SHAW), the distinguished chairman of the Subcommittee on Trade.

Mr. SHAW. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. ENGLISH) for yielding me this time. I rise today in strong support of this legislation.

I first want to recognize the gentleman from Pennsylvania (Mr. ENGLISH), a member of the Committee on Ways and Means Subcommittee on Trade, for his persistence in bringing this bill to the House floor.

Today, China continues its emergence as a major global market. As a member of the World Trade Organization, China has developed competitive domestic industries. However, as a World Trade Organization member, China must comply with international standards which promote fairness and respect for the rule of law.

Many in this Chamber, including myself, feel that Beijing can do a much better job in demonstrating to the world that its markets are transparent and fair both to consumers and exporters to China. At the same time, we have to be focused and pragmatic in determining how we can be most effective in establishing checks. This is not and should not continue to be an opportunity for political rhetoric that I have heard here this morning.

The legislation before us allows for a number of these checks. In this bill we create an extensive monitoring of the Chinese market and its compliance on a range of issues, such as intellectual property enforcement, whether the currency mechanism is being implemented properly, market access to the United States goods, and its accountability of Chinese subsidies.

I am pleased to hear the news out of Beijing and the Chinese Government that the Chinese Government has decided to float its currency against a basket of currencies and has appreciated the currency to a certain degree after 10 years. This first step is a positive one, but it must not be met without oversight. We must continue engaging the Chinese Government on the importance of a complete movement toward a managed float of its currency.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN), a former ranking member of the Subcommittee on Trade of the Committee on Ways and Means.

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

Mr. LEVIN. Mr. Speaker, this bill before us, in a word, is a smoke screen; and it has so little smoke, let alone any fire, that Members can see straight through it.

At its very best, it is feeble; at its worse, it disguises what the real problem is.

The gentleman from New York (Mr. RANGEL) raised the issue why this is on suspension. The gentleman from New York (Mr. RANGEL), I, and others introduced legislation, H.R. 3306. And I want to ask the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. ENGLISH), and the gentleman from California (Chairman THOMAS), why not put this bill not on suspension but regular order? Why not sit down with Democrats, including the gentleman from New York (Mr. RANGEL) and others, the gentleman from Maryland (Mr. CARDIN) and myself, and try to come up with a truly bipartisan bill? The other side of the aisle has not done that.

They say they are adding provisions adding countervailing duties, but then they add other provisions which make it essentially impossible to work. They talk about currency. I say to the gentleman from Pennsylvania (Mr. ENGLISH), it is more reports. The Rangel bill talks about more than reports.

The Rangel bill has a definition of currency manipulation and the ability under 301 to do something about it. The Rangel bill also recreates super-301 so we will indeed be able to take action and ensures that this administration will take action when China does not meet its commitments.

□ 1100

This bill should be voted down so that we can have an honest discussion and debate on this floor about the way to handle this problem. The gentleman from California (Mr. THOMAS) said something about WTO violation. The bill that the gentleman from New York (Mr. RANGEL) introduced is completely consistent with our WTO obligations. So bringing that up is a total dodge.

This is an effort, I guess, to give some people some cover to vote for another bill. We should not be handling our relationships with China in that manipulative a way. I urge everybody to vote ''no'' on this bill and give this Congress, this House that is supposed to be the people's House, a chance to discuss this bill with amendments. This is another example of the abuse of power by this majority, stifling debate, trying to stuff things through on suspension, 40 minutes, no amendment.

What is going to happen is, I think, that this bill will be voted down so that we can take an honest, serious look at this problem on a bipartisan basis.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to the gentleman from Arizona (Mr. HAYWORTH), a distinguished member of the Committee on Ways and Means.

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

Mr. HAYWORTH. Madam Speaker, perhaps it is the eternal lament of a minority within a legislative body to focus constantly on process and to share their frustrations with process. But perhaps it is better to focus on policy and what this legislation, which I support, will do.

The 40th President of the United States, the late Ronald Wilson Reagan, enshrined these three words as part of American policy: trust but verify. The legislation on the floor today deals with verification. I say as one who opposed a trading agreement with China that this legislation brings the monitoring capacity necessary to understand what happens in international trade. Simply stated, Madam Speaker, if you want to get in the game, play by the rules.

While we have seen all sorts of counterfeiting and theft of American intellectual property, this legislation takes steps to put that to a stop and to monitor the behavior. Trust but verify. Vote ''yes'' on this legislation.

Mr. RANGEL. Madam Speaker, I am pleased to yield 2 minutes to the gentleman from Ohio (Mr. RYAN).

Mr. RYAN of Ohio. Madam Speaker, I thank the gentleman from New York for yielding me this time. As always, the devil is in the details. Ladies and gentlemen, this law guts the countervailing duties provisions that we have been living by.

Check this out: traditionally, the data that we use to determine whether or not a subsidy takes place is used by basing that data on comparable market economies. So we want to trust, but we want to verify. This bill requires the administration to use data from China. We are going to be basing our decisions on data that is gathered by the People's Republic of China. If China's data says there is no subsidy, well, then, there is no subsidy, regardless of what the other comparable economies might say. We are going to trust an administration that has brought one WTO case since 2001, and we want to try to compete with the Chinese?

Last week in the Education Committee, we cut $11 billion from Pell grants. No Child Left Behind is underfunded. We have millions of kids living in poverty. Meanwhile, the Chinese graduated 700,000 engineers last year. We graduated 35,000. Healthy, educated children and enforce international law, that is how you compete with the Chinese.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield myself 30 seconds.

First of all, the last speaker appears to have read the other party's bill, not ours. The Democrats' bill is actually weaker than our bill because it ignores a recommendation by the GAO to authorize the Commerce Department to use third-country information in countervailing duty cases against China consistent with China's WTO accession commitment. Without this provision, the countervailing duty provision would be difficult to use and could be subject to endless court challenges. They have simply misread this legislation and done it in an egregious way.

Madam Speaker, I yield 1 minute to the gentlewoman from Connecticut (Mrs. JOHNSON), a distinguished member of the Committee on Ways and Means.

Mrs. JOHNSON of Connecticut. Madam Speaker, I rise in strong support of H.R. 3283. As one who advocated China's entry into the WTO, I am concerned and disappointed with China's passage of a law on government procurement that incorporates strong preferences for domestic goods and services, fostering discrimination against, for example, software companies that have made a substantial commitment to the development of the Chinese software industry. The combined effect of rampant software piracy and the proposed discriminatory government procurement regulations will create a nearly impenetrable barrier to U.S. software. This at a time when the trade deficit with China is at an all-time high.

Madam Speaker, I call on the Chinese Government to immediately enter into negotiations to accede to the agreement on government procurement of the WTO as they committed to 3 years ago and to suspend the implementation of its law on government procurement.

I urge my colleagues to vote overwhelmingly for this bill to send a very strong message to China on all the fronts the bill covers, not the least of which is government procurement. We have the chance to send a strong message and take strong action, and this bill will do it.

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

I think this discussion, especially the opposition to the Rangel bill by the gentleman from Pennsylvania (Mr. ENGLISH), just shows the complexity as well as sincerity of those people that would like to put some checks on the conduct of the Chinese trade people and I think emphasizes why this bill should not be on the suspension calendar.

Madam Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. I thank the gentleman from New York for yielding me this time.

Madam Speaker, we have been here before. Congress has often resorted to bills and memoranda of understanding concerning China. But the U.S. trade deficit with China has continued to increase. So I am not going to stand here and argue process. We can look at the history and the fact of the whole architecture of agreements that we have had with China, memoranda of understanding, concerns that Members of Congress from both sides of the aisle brought to this floor in order to try to manage United States trade with China.

Remember we were told that a memorandum of understanding on prison labor with China would remove their competitive advantage and restore balanced trade. But the U.S. trade deficit with China worsened.

Remember the agreement to reaffirm the 1992 market access memorandum of understanding. We passed that, but the U.S. trade deficit with China grew worse.

Remember China's agreement to lower tariffs on imports. They cut the tariffs from 42 percent to 23 percent, then to 17 percent, then to 12 percent. But the U.S. trade deficit with China got worse.

Remember China stopped arbitrary limits on maintaining agricultural imports. That was supposed to be a boon for the United States. But the U.S. trade deficit with China got worse. That is exactly the story that we see with NAFTA and the WTO and, this week, CAFTA.

Why does the U.S. trade deficit with China keep getting worse no matter what we do? No matter what our best intentions are? The U.S. trade deficit with China keeps getting worse because labor costs in China are so much cheaper.

Hello? Wake up, America. We are giving away our jobs here, and the central issue is the cheap labor in China. You can pass all of these agreements you want. They are not going to amount to a hill of beans, because the fact of the matter is that the U.S. trade deficit in China will continue to grow, it will approach $200 billion, as long as the labor costs are cheaper. That is why we are losing jobs. That is why the trade deficit is growing. That is why we are losing market share. With all due respect to my good friend from Pennsylvania, I do not see this bill amounting to anything. Vote against it.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to the gentleman from Indiana (Mr. CHOCOLA), a distinguished member of the Committee on Ways and Means and an authentic advocate of fair trade.

Mr. CHOCOLA. I thank the gentleman for yielding time.

Madam Speaker, before being elected to Congress, I ran a manufacturing business that did a significant percentage of our sales outside the United States. I have seen the opportunities of free trade and the global marketplace, and I have seen how those opportunities can lead to jobs right here at home. We did business in over 100 countries, including countries like China. I am convinced that China needs to be a strong trading partner with the United States long term. But for China to successfully and fairly participate in the global marketplace, they must live up to their trade obligations. They must respect and enforce intellectual property rights. They must open market access for U.S. goods, services, and agriculture. They must not manipulate their currency to distort trade.

The Trade Rights Enforcement Act offers a wide range of measures to ensure China abides by its international commitments. Madam Speaker, with a level playing field, U.S. businesses can compete with anybody anywhere at any time. With 96 percent of the world's consumers outside the United States, the global marketplace holds great promise. This bill is a strong tool to make sure China abides by the rules of free trade and puts U.S. businesses in a competitive position to take advantage of those opportunities. I encourage all of my colleagues to support the Trade Rights Enforcement Act.

Mr. RANGEL. Madam Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. NEAL), a member of the Committee on Ways and Means.

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Madam Speaker, let me thank the gentleman from New York for yielding me this time.

Madam Speaker, this legislation in front of us today as it relates to China is about one thing and one thing only: providing political cover for those who are reluctant to embrace CAFTA. That is all this is about. It is about outing CAFTA. The majority realizes if they simply put CAFTA on the floor, they do not have even the muscle in this instance to put this legislation through. So what are we doing instead? We are offering a veneer to the American people, a ruse, as it relates to the problems we are having with our trade practices in China.

Is there anybody who believes that this is about to alter our trading practices with China? We all know it is badly out of balance. And this legislation makes the problem worse.

Currency manipulation in this legislation, no action. Dealing with Chinese trade barriers in this legislation, no action. We are going to monitor and study. I think that if they put a study in front of this House, we all ought to take a test on it in 2 years. Sit down and we will all pay attention to the test that they offer. Imagine in a serious issue like this, we are going to ask for studies.

Safeguards, no action. Subsidies, they create more loopholes than they address. On customs duties, they have a 3-year, but listen to this, temporary measure to deal with the issue.

This is a sloppy bill. It is going to do more harm than good. When it is over, the professors will have their jobs, the trade lawyers will have their jobs, the editorial writers across the country will have their jobs; but the men and women of organized labor who call this for what it is, they know that their jobs are at risk and they are opposed to this legislation. It guts trade laws, and it gives more power to WTO. It purports to help solve problems with customs enforcement. It makes them worse. It does not require China to make meaningful changes to its policy of currency manipulation. How much more emphasis can we put on that issue in this institution? We need to recalibrate our trading relationship with China. This will not do it, and everybody knows it. An emphasis on that term, recalibrate our trading relationship with China.

When we get done with this legislation today, and there is some question

as to whether or not they can pass it, I am just going to close on this note. We have a highly regarded regular order in this institution of the responsibilities of the Committee on Ways and Means, the committee that many members of this institution desire to be on. You do not go around the committee the way this is being done. You go through the committee. You have hearings with a respected tradition in this House of Representatives for the Committee on Ways and Means. You do not do this through the back door.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to the gentleman from New York (Mr. REYNOLDS), a distinguished advocate of fair trade and a member of the Subcommittee on Trade.

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

□ 1115

Mr. REYNOLDS. Madam Speaker, I recently hosted roundtables with manufacturers in my district. Whether it is currency manipulation or unfair subsidies, it is clear that our local employers have long had enough of the way China cheats on trade.

As John Hoskins of Curtis Screw in Buffalo told me, they have ''never been afraid to compete globally.'' But this century-old manufacturer can only compete globally if they can compete fairly, and they note that some of their Chinese competitors have much of the cost subsidized by the government.

''To put this in perspective,'' he said, ''the only way . . . U.S. manufacturers can compete . . . is if the United States Government begins to pay for our building, our labor, and employee benefits and . . . other costs of doing business.'' That is exactly what the Chinese are doing today.

The United States Trade Rights Enforcement Act will help combat illegal subsidies, provide additional funding for enforcement of trade laws, and make certain that our products and services have fair access to Chinese markets, all critical aspects of our fight to ensure fair trade.

I commend the gentleman from Pennsylvania (Mr. ENGLISH) and the gentleman from California (Chairman THOMAS) for their hard work on this issue, and I urge my colleagues on both sides of the aisle to support this legislation.

As a long-time champion of fair trade and a lead cosponsor of this legislation, I rise in strong support of the U.S. Trade Rights Enforcement Act.

When China was permitted to join the World Trade Organization in 2001, there was an implicit promise made to American businesses, workers, and consumers—that we would get a fair deal in our trade relations with the Chinese. Yet, in so many areas—intellectual property rights, currency valuation, subsidies, trade barriers, you name it—we see China failing to uphold its end of the bargain by ignoring international trade norms.

The bill includes a variety of measures that will help bring an end to unfair trade practices abroad, and level the playing field for American companies and workers. The countervailing duties provision is especially important for local manufacturers.

It's an important instrument for U.S. businesses trying to successfully combat illegal subsidies; and it is a big reason why the National Association of Manufacturers (NAM) has expressed its strong support for this measure.

I recently hosted roundtables with manufacturers in my district; and whether it's currency manipulation or unfair subsidies, it's clear that our local employers have long had enough of the way China cheats on trade. As John Hoskins of Curtis Screw in Buffalo told me, they've ''never been afraid to compete globally.'' But this century-old manufacturer can only compete globally if they can compete fairly, and they note their Chinese competitors have much of their costs subsidized by the government. ''To put this in perspective,'' he said, ''the only way * * * U.S. manufacturers can compete * * * is if the US government begins to pay for our building * * * our labor, our employee benefits and * * * other costs of doing business.'' ''That's exactly what the Chinese are doing today.''

I have always maintained that our products and our workers can compete anywhere, with anyone in the world, as long as that competition is fair.

This bill will help combat illegal subsidies, provide additional funding for enforcement of trade laws, and make certain that our products and services have fair access to Chinese markets—all critical aspects of our fight to ensure fair trade.

I commend Congressman ENGLISH and Chairman THOMAS for their hard work on this issue; and I urge my colleagues on both sides of the aisle to support this bill.

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

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to gentlewoman from Pennsylvania (Ms. HART), a distinguished member of the Committee on Ways and Means and a member of the executive committee of the Congressional Steel Caucus.

Ms. HART. Madam Speaker, I thank the gentleman for yielding me this time.

I rise in support of this bill, and I am mystified by the opposition on the other side of the aisle. It appears that partisan politics trumps good business. It appears that partisan politics trumps their interest in American manufacturers.

Foreign subsidies products exported to the United States continue to cause extreme financial hardship for these manufacturers. While rules exist to provide countervailing duties on such products, rules do not take into account the advantages enjoyed by nonmarket economies like China.

Because China is such a major global trader, China's undervalued fixed-exchange rate has exacerbated significant imbalances between trading partners. Under China's fixed-exchange rate, the U.S. annual bilateral trade deficit accelerated since 2001, reaching $162 billion in 2004. While U.S. exports to China increase, its undervalued currency has burdened U.S. manufacturers, restricted market opportunities for exporting our products into China.

Meeting with businesses in my district, the three main complaints I have heard from my district regarding China have been piracy of product, the dumping of products on our market, and the currency pegging issue.

I believe that we need to support this legislation, reject the Democrat bill, which does not address these issues.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to the distinguished gentleman from Michigan (Mr. ROGERS), one of the key players in developing this legislation.

Mr. ROGERS of Michigan. Madam Speaker, I thank the gentleman from Pennsylvania (Mr. ENGLISH) for yielding me this time, and I thank the chairman for working on this bill.

Quickly, one of the things that my mother used to tell me is self-pity never solved one problem. We know how to fix this bill. I should not feel sorry for them; they should not feel sorry for me. We should vote on the bill that will make a difference.

These are counterfeit parts made in China. They are robbing and stealing from the American economy. We have the chance today for the first time to put a law enforcement trade officer in charge so that when they get up in the morning, the first thing they do is work on how to stop China from doing exactly this and stealing jobs from our economy.

There is a town in China, 80 percent of the parts, over 30 outlets, were counterfeit. If we do not step up to the plate with this bill, we are going to lose and continue to lose $12 billion a year just in automobile part counterfeiting.

This is our chance. I plead with those on the other side, if they truly care about labor, if they care about the individual that gets up in the morning, plays by the rules, and is trying to compete in a world market, they will vote for this bill. They will send a message to China that American jobs are worth fighting for. Give us a fair, level playing field, and we will compete; we will win.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to the distinguished gentleman from South Carolina (Mr. BARRETT), another strong advocate of fair trade for American workers and American farmers.

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

I rise in strong support of H.R. 3283, the United States Trade Rights Enforcement Act.

Madam Speaker, this bill goes to the heart of what we know is true in South Carolina: China cheats. I thank President Bush and the administration for stepping up their trade enforcements this year, and I especially commend them for expediting the implementation of the Chinese textile safeguards to combat recent surges in exports to our market, but when it comes to China, more must be done.

The United States Trade Rights Enforcement Act would provide the necessary tools to ensure China meets the trade obligations it has agreed to in order to become a member of the WTO. In addition, it holds in this legislation that China will be accountable. It is common sense to say here is what they have agreed to, and if they do not follow through, there will be consequences.

How we deal with China today affects our future, our jobs and our livelihood. That is why I urge all my colleagues to level the playing field for everybody and support H.R. 3283.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. MURPHY), a very distinguished advocate of fair trade.

Mr. MURPHY. Madam Speaker, this is one of many bills we need to pass that deal with China and its continued policy of government support, pegging of its currency, not complying with trade laws. They have significantly lower wages, sometimes slave wages, in their plants. Over 90 percent of their steel production comes from government-owned steel mills. Their steel enjoys millions of dollars in government subsidies. China limits foreign participation in the wireless market by imposing severe regulatory requirements on telecommunications imports. The lack of intellectual property rights enforcement has resulted in epidemic levels of counterfeiting and piracy, causing serious harm to U.S. businesses. The implementation of questionable health standards affects what they will import from our agriculture. Their policies mandate the purchase of Chinese-owned software. They have a value-added tax on all non-Chinese semiconductors, which also hampers American manufacturers' ability to export to them.

These unfair Chinese policies are hurting all American businesses, not just a few, and impact workers here.

Only a strong American commitment to hold China accountable will bring about the changes necessary. Consideration of this bill is an important part of what we need to be doing in an extensive selection of things to hit back on China.

Mr. ENGLISH of Pennsylvania. Madam Speaker, is my understanding correct that the gentleman has only himself as the remaining speaker with 4 minutes?

Mr. RANGEL. The gentleman from Pennsylvania is correct.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield 1 minute to the gentleman from Indiana (Mr. SOUDER), a very distinguished member of the Steel Caucus, an advocate of the cause of fair trade.

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

Mr. SOUDER. Madam Speaker, I thank the gentleman from Pennsylvania for his leadership.

It has been alleged here on the House floor that this is a trade for CAFTA, to get some of our votes. Let me be real blunt. It was for me. I took it to the President, the Vice President, our trade ambassador, the Secretary of State, because we have had no action on China. Whether it was a Democratic President or a Republican President, we have had no action on China. Whether it was a Democratic Congress or a Republican Congress, we had no action on China. Every single time we come up for a vote, we get rolled.

We have to hold China accountable. This is not perfect, but a vote against this bill is a vote for China, not for the United States. It is a small step, but a critical step. Without the data, if they do not let their currency float, how in the world do we measure how much they are manipulating the currency? And those critics of those of us who have been putting pressure on China in the last few weeks said we could never get them to reevaluate their currency. It was a little, piddly step, but 2 percent is 2 percent. It is a big admission that they have been manipulating their currency.

So rather than declare victory and rather than saying we finally, it looks like, are going to pass a bill on China, the other side wants to take it down, or at least a few Members.

We had better pass this bill, or this is yet another victory for China, and we will never get anything done except at critical moments when they need our votes.

I rise in support of H.R. 3283, the United States Trade Rights Enforcement Act.

The outcry from American manufacturers has never been louder. China is destroying many American businesses. For too long, warnings of these businesses have been ignored. The American government has negotiated with China, talked to China, cajoled China, but has declined to act decisively and with concrete measures to combat China's policies and help American manufacturers. I applaud those at the United State Trade Representative office who have the daunting task of dealing with the Chinese government, but unless talk is backed-up with action, it really doesn't matter.

Congress has also been reluctant to help where China is concerned. Although we have passed several resolutions condemning Chinese trade practices, they are meaningless, and do nothing to actually help businesses. Often it seems that the piracy of music and movies is worth administration and congressional action but the piracy of manufactured goods or China's deliberate undercutting of manufacturing through suspect trade policies does not warrant action.

The hollowing out of American manufacturing does warrant action. Although China's economy is moving toward the free market, China remains an avowed communist country. The Communist government and the army own countless businesses, including the Chinese National Overseas Oil Company, which recently made a bid for Unocal. They prop up many businesses with free or reduced-cost energy, low cost or no-cost loans and financing, and sometimes forced labor. Because of Chinese government intervention in the economy, Chinese businesses are not subject to the same market forces as American businesses.

American businesses have also been enticed to set-up shop in China. In addition to cheaper labor costs, businesses in China do not have to worry about clean air, clean water, OSHA, or compliance with a crushing regulatory burden.

Although these things put American businesses, particularly manufacturers, at a disadvantage, the biggest distortion of the market is China's currency manipulation. Until last week, China pegged its currency at 8.28 yuan to the dollar. Despite huge growth in the Chinese economy and explosive international trading, the Chinese government refused to revalue its currency. Estimates of China's currency manipulation were anywhere from 20–80 percent. This meant that Chinese goods entering the United States were 20–80 percent cheaper than they should have been. And American goods were 20–80 percent more expensive.

Last week, the Chinese government revalued the yuan by slightly over 2 percent. While I applaud this movement on the part of the Chinese, there is much more that needs to be done. I realize that the Chinese cannot adjust their currency overnight but I expect this latest devaluation to be the first of many. I also expect the Bush administration and future administrations to keep pressuring China to restructure their financial sectors and currency schemes so that they better match those of the market-oriented world. Their currency needs to flock and let markets determine the value, not the government.

As American manufacturers have been severely damaged by unfair Chinese policies, the necessary tools to fight this unfair competition have not been available to them. One important tool is tHe countervailing duty, CVD. Countervailing duties are taxes assessed to counter the effects of subsidies provided by foreign governments to goods exported to the United States. Subsidies cause the price of such merchandise to become artificially low, which may cause economic ''injury'' to U.S. manufacturers.

One thing is sure, the artificially low price of Chinese merchandise has caused injury to American manufacturers. Unfortunately, the most recent interpretation of American trade laws does not allow CVDs to be applied to non-market economies. H.R. 3283 will explicitly allow them to impose CVDs on non-market economies. It will allow investigators to compare China with comparable market economies, most likely India, in order to see just how

much the Chinese government is unfairly aiding its businesses. This will not save American manufacturing overnight but it will help to level the playing field, and allow fair competition in the global marketplace.

This legislation comes to the Floor at the same time as legislation to implement the Central American Free Trade Agreement, CAFTA. I am one of many Members that withheld support for CAFTA in exchange for concrete action on China. Some have criticized the efforts to link China and CAFTA. They argue that they are two different issues. I disagree. CAFTA has been sold with the promise that it will open up new and bigger markets for American manufacturers. That may be, but if manufacturers in my district are put out of business because of unfair competition from China, whether or not they have access to markets in Central America will be irrelevant because they will be out business.

I urge all of my colleagues in the House and the Senate to vote for this necessary tool against unfair trade practices.

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

One of the major reasons why we are opposing this bill is because of the process. Clearly a bill is supposed to be brought to this floor when it has overwhelming support, when it is a simple bill, naming a post office, having a stamp, declaring mothers as being essential for parenthood, things that Republicans and Democrats can look up at the scoreboard and see that we have 435 Members or close to it supporting it.

How can anyone perceive, as one of the Members on the other side said, the most important trade legislation that we ever had will be put on just for 40 minutes debate? The qualities that exist in the English bill, we have been able to see some loopholes. He and I would want to work together to close those loopholes. All the members of the Committee on Ways and Means feels the same way about trying to do something to contain the overreaching of China. What makes the other side believe that we Democrats are not entitled to participate in the substantive nature of sensitive, complex legislation?

Putting this on the suspension calendar, in my opinion, is an insult to Members on both sides of the aisle and is an insult to those people who oversight what we do, because the suspension calendar means that we never thought that they would ever have a problem with it, and that is why we did not share what is in this bill.

I also think that it is really unfair to have the Members of Congress to believe that this bill comes to the floor because of its importance and therefore has to be passed on the suspension calendar. We have plenty of time to work in the Committee on Ways and Means in dealing with this so that we can be proud that we do not have a Rangel bill or an English bill or a Republican bill or a Democratic bill. The pride should come when we have a congressional bill which we can say both sides have an opportunity to hear witnesses; to see what the impact is going to be, whether it is going to work or not work; to see whether those who have fought to put checks on China feel satisfied that we have done it; and to be able to say to foreigners that we may have differences among ourselves, political differences, but when it comes to trade policy, we speak with one voice. The flag is up, and we speak for the United States of America.

So I recognize how important it is to pass the DR–CAFTA bill. I recognize that there is a problem because Democrats were not involved and Republicans cannot get the votes. But I do not know how many suspension bills they are going to bring in as an excuse to get Members to say, I got them to talk about China, and therefore I am going to vote for CAFTA.

It is not enough to talk about China and the problems that we face. What we should be doing is bringing these issues up in the committee that has jurisdiction, and we are so proud of it, and to make certain that the best we can is to have this as a bipartisan effort on both sides.

So this is not the first time that the committees of jurisdiction have had to have Members bypassed in terms of their input, bypassed in terms of the ability to have amendments, and bypassed in terms of saying that we have to find some way to find some bill that we can get bipartisanship on it. The vehicle to do this normally, from the record of the Congress, are the suspension bills. But trade bills should not be on the suspension calendar.

Mr. ENGLISH of Pennsylvania. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, I would like, in this closing minute, to cut through the fog of process arguments and weird Alice in Wonderland illusions to linkage to other trade agreements. This is important legislation, and it is important in itself, and it deals directly with key problems that we are having in our trade relations, particularly with China.

□ 1130

This legislation closes loopholes, not creates loopholes. It allows us, for the first time, to apply countervailing duties to nonmarket economies. That is a good thing. I realize our friends on the other side of the aisle never engaged on the SOS bill, the underlying core of this bill, nor cosponsored it. I realize that they have been behind the curve on this.

We have to move today and put this on the calendar today so that we can move quickly to send a message to China that we are going to close the loopholes, that we are going to audit their compliance with their trade obligations, that we are going to oppose the WTO watering down our domestic trade relations; and we are determined to put more money into trade so that we can enforce these agreements.

If you care about China, if you care about trade, vote for this bill and avoid the petty partisan politics.

Mr. HERGER. Madam Speaker, I believe it is critical that we seek out abuses in existing agreements, and reform such laws that are detrimental to U.S. producers. Such is currently the case with unfair honey imports from China.

In my northern California Congressional District, honey and honeybees play a critical role in pollinating many of our important export crops, including almonds.

Because Chinese "new shippers" are allowed to circumvent antidumping orders by posting bonds, the honey industry in California and nationwide faces serious and continuing price declines, making it difficult for honey producers to provide bees for pollination.

This bill would suspend the bonding privilege for a three-year period. Madam Speaker, I would like to thank my colleagues, Representative ENGLISH, Chairman SHAW and Chairman THOMAS for their work on this matter.

Mr. SPRATT. Madam Speaker, when China joined the WTO, the U.S. and China entered into an "accession protocol." Among other things, that protocol anticipates that the United States may find that China is subsidizing exports, and in that case, the United States may seek to impose countervailing duties, to level the playing field. The Department of Commerce is required to use Chinese data to measure the size of the subsidy, "where practicable," but use of Chinese cost and pricing data is not always practicable, so similar data must be drawn from a comparable country. As originally drawn, this bill dropped the key phrase, "where practicable." It restricted the ability of the Commerce Department to measure subsidies in China and other non-market economies. Due to a barrage of complaints from U.S. industry, that phrase was added back at the last moment, before this bill was brought to the floor.

But two other problems, to which U.S. industry objects, were not corrected.

First of all, this bill requires the Department of Commerce to ensure that there is no "double-counting" of countervailing duties and antidumping duties. Current law only requires that there be no double-counting of export subsidies, but makes no provision with respect to antidumping duties. Commerce has called this change "wholly inappropriate." These are the words of the Commerce Department: "The proposed change would put China into a special category distinct from all other countries when subject to concurrent anti-dumping and countervailing duty investigations." According to the Department of Commerce, this restriction "would raise complex methodological questions, the costs of which may far outweigh any purported equity gains of any such adjustment."

Secondly, this bill gives the WTO Dispute Settlement Body special influence over U.S. law. WTO decisions are not self-executing. The Congress decides how, when, and whether to implement a WTO decision. This bill would require the Commerce Department to ensure that our application of countervailing duty law to non-market economies is consistent with our international obligations. There

is no guarantee how the WTO would rule if this aspect of this law were brought before it. This provision could place WTO dispute settlement tribunals on a special footing when dealing with U.S. laws.

If this bill were brought up as a regular bill, it would be amendable, and these troubling provisions could be changed or deleted.

Mr. GENE GREEN of Texas. Madam Speaker, I rise in opposition to H.R. 3283 on both process and policy grounds. This legislation is on the floor this week simply to provide political cover for members who vote for the flawed Central American Free Trade Agreement. The consideration of this bill is not a real attempt to react to Chinese currency manipulation, trade barriers and state-sponsored subsidies. It is merely an empty, rhetorical response to our valid concerns about China's ability to utilize CAFTA to circumvent U.S. trade laws.

The bill's title—the U.S. Trade Rights Enforcement Act—is, at best, a misnomer, because it actually prevents our country from enforcing its trade rights. While the bill purports to apply U.S. countervailing duty law to China, it contains three glaring loopholes that strip us from any ability to enforce that law. First, the bill limits our use of third-party data when investigating Chinese subsidies in anti-dumping cases. The effect of this provision is to force us to use China's own data in these cases, even though we've learned time and again that China does not play fair in the global trade market.

The bill also exempts Chinese domestic subsidies when industries file both anti-dumping and countervailing duty cases. This provision essentially applies a more lenient standard to non-market economies than to market economies under U.S. anti-dumping and CVD law. Let me remind my colleagues that our goal here is to get tough on China, not give them a free pass while holding our friends with market economies to a tougher standard.

The bill also imposes extra burdens on the U.S. that raises serious issues with regard to both sovereignty and separation of powers. The bill would direct the Commerce Department to essentially pre-clear the application of U.S. law to ensure consistency with the WTO. While every other U.S. law is deemed WTO-compliant unless and until the WTO rules otherwise, this bill makes our actions toward China jump through extra international hoops before it can ever be applied.

Even worse—for the first time ever—the bill would give the Commerce Department the power to align U.S. law with the WTO, without action from Congress. Article I, Section 8 of the U.S. Constitution gives the Congress—not the executive branch—the sole responsibility for the regulation of foreign commerce. This provision is a serious infringement on the power of the legislative branch and strips the Congress of much, if not all, authority to deal with our country's trade concerns with China.

I urge my colleagues not to fall for the majority's empty rhetoric. This bill will do nothing to help our trade problems with China and is a thinly-veiled diversionary tactic to shore up votes for the flawed CAFTA agreement. Look beyond the majority's smoke and mirrors, and vote against this ill-timed and ill-conceived legislation.

Mr. HOLT. Madam Speaker, I rise today in opposition to H.R. 3283. The so-called United States Trade Rights Enforcement Act would provide little to no remedy for those in my district who are deeply concerned about the ever growing trade deficit with the Peoples Republic of China due to its longstanding illegal policy of currency manipulation.

This is a major issue. Congress should be considering this measure for more than forty minutes and with the opportunity to offer amendments. However, this will not be the case today because of the procedures under which this bill was brought to the floor. We should be debating this issue in great depth, not the rather cursory discussion we are having today. We should be talking seriously about complex issues like "Super 301," "double counting," and what exactly we should do with our countervailing duties. We should be talking about why our trade deficit with China is now at $162 billion and continues to grow with no end in sight. We should be talking about the fact that China doubled its holding of U.S. debt between 2001 and 2004. And we should be talking about how jobs in our home states have been affected and what we can do to help American businesses who are struggling to export their goods to China.

But that debate unfortunately will not happen today.

Rather, today the House is considering H.R. 3283 because of an agreement reached, I presume to secure votes in favor of the seriously flawed Dominican Republic-Central American Free Trade Agreement, (DR–CAFTA). The majority has chosen to play politics on the floor today rather than seriously address the issues resulting from China's currency manipulation and the resulting trade imbalance that has ballooned between the United States and China.

I have heard from a number of constituents in my district who are deeply concerned about these issues. And yet today, we are not addressing their concerns with action, we are requesting studies. Today we are not ordering countervailing duties to correct for unfair trade practices, we are creating additional loopholes for China to evade the even paltry countervailing duties that do exist.

Madam Speaker, today I stand with the people in my district who are affected by China's currency manipulation and our soaring trade deficit. That is why I have cosponsored a number of other bills, such as the bipartisan The Chinese Currency Act, H.R. 1498, that will actually address China's currency manipulation. However, I will vote against H.R. 3283, and it is my hope that the Congress will reevaluate this serious issue in a detailed fashion to actually address these important issues that have bipartisan support.

Mr. STARK. Madam Speaker, I rise today in opposition to H.R. 3283, the so-called United States Trade Rights Enforcement Act. This bill purports to address China's lax enforcement of its international trade obligations. In fact, this bill does little to address serious trade issues with China, and it is on the House floor for only one reason: to garner votes for CAFTA later this week.

There is no question that Congress should do everything in its power to enforce trade rights worldwide. However, giving lip service to an issue that deserves our careful consideration and strong action is a grave disservice to the American people. What we should be talking about today is the Bush Administration's continued failure to decrease our trade deficits and promote labor rights, environmental standards and public health protections with our trading partners.

Let's look at the facts: In 2004, the U.S. trade deficit with China grew to a record $162 billion. This despite the fact that China joined the World Trade Organization, WTO, in 2001 and should be well on its way to reducing trade barriers and opening up their markets to U.S. goods and services. Even the United States Trade Representative has said that China's WTO compliance efforts are "far from complete and have not always been satisfactory."

Given these facts, I support strong trade enforcement against China. I am a cosponsor of H.R. 1498, the Chinese Currency Act, which would allow the administration to impose countervailing duties due to China's continued currency manipulation. The bill has 110 bipartisan cosponsors and provides real enforcement mechanisms, instead of the studies and redefinitions offered by H.R. 3283. If the leadership were serious about China we would be voting on this meaningful legislation today. But, that is not the case.

Madam Speaker, we have known about trade enforcement issues in China for years. But China legislation magically appears only now that CAFTA is in trouble. I urge my colleagues to vote against this sham bill.

Mr. UDALL of Colorado. Madam Speaker, I rise in opposition to H.R. 3283, the United States Trade Rights Enforcement Act.

I do have real concerns about the spiraling trade deficit with China and China's unfair trade practices, and I think Congress should consider possible legislative responses.

However, the bill offered today does little to provide assistance to U.S. workers, farmers, and businesses. In fact, it could create additional problems for them. In particular, I am concerned that the legislation could make it more difficult to apply countervailing duties to China and other nonmarket economies while making it easier for them to hide subsidies.

Further, by placing this legislation on the suspension calendar, which is reserved for non-controversial legislation, the Republican leadership has refused to offer a full debate to Members to consider alternative plans to strengthen enforcement of our trade policies and hold countries accountable for their trade practices.

This procedure makes it clear that real intent here is not so much to address our trade problems—it is more about politics and winning extra votes for passage of CAFTA later this week.

It is unfortunate that the Republican leadership has taken this opportunity to bring about stronger trade policies and instead used it to consider a bill that is largely symbolic at best, and could even be harmful.

It is for these reasons I will vote against this bill.

Mr. BACA. Madam Speaker, I rise in opposition to H.R. 3283, concerning trade with China.

I join with millions of American workers in saying no to this ill-conceived Republican gift to the Chinese government.

This bill does nothing to address the growing unfair trade gap between China and the United States—an imbalance purchased with China's exploitation of political prisoners, oppressive jail-like working conditions, child labor, and suppression of basic freedoms.

Products made in China are cheap through the exploitation of the workforce. Every time

we shop, we are driving the nail further into the coffin of American manufacturing jobs.

This bill does nothing to address artificially low prices. It does nothing to stop manipulation of currency to drive the United States further into a trade imbalance. It does nothing to save honest American workers from losing their jobs.

This bill weakens the ability of the United States to apply sanctions against China for unfair trade practices. Democrats have offered several much stronger proposals to deal with this issue, and the Republicans have refused to let them come to the floor. Not a single one has been considered.

To help U.S. workers, farmers and businesses, and America's long-term economic security, Congress should take decisive action to bring about fair trade with China, instead of squandering this opportunity on a weak Republican bill.

If Congress wants to take real action, it should pass comprehensive legislation to end currency manipulation; allow U.S. companies to challenge subsidized imports from China; and fix China safeguard statute and other import remedies to protect U.S. manufacturers against surges and other unfair imports from China.

I support American workers in saying, let's combat China's unfair trade practices by providing us with the tools to save American jobs.

It is an insult to American workers that, in the same week that Congress is considering CAFTA, it is bringing forth a weak China trade compromise bill. This demonstrates the majority's anti-worker agenda, that gives priority to Chinese workers instead of American jobs.

Mr. PAUL. Madam Speaker, I rise in strong opposition to this legislation. Isn't it ironic that the proponents of "free trade agreements" like CAFTA are lining up squarely behind a bill like this that threatens a trade war with China, and at the least calls for the United States to initiate protectionist measures such as punitive tariffs against "subsidized" sectors of the Chinese economy? In reality, this bill, which appeared out of the blue on the House floor as a suspension bill, is part of a deal made with several Members in return for a few votes on CAFTA. That is why it is ironic: to get to "free trade" with Central America we first need to pass protectionist legislation regarding China.

Madam Speaker, in addition to the irony of the protectionist flavor of this bill, let me say that we should be careful what we demand of the Chinese Government. Take the demand that the Government "revalue" its currency, for example. First, there is sufficient precedent to suggest that doing this would have very little effect on China's trade surplus with the United States. As Barron's magazine pointed out recently, "the Japanese yen's value has more than tripled since the breakdown of the Bretton Woods system, yet Japan's trade surplus remains huge. Why should the unpegging of the Chinese yuan have any greater impact?"

As was pointed out in the Wall Street Journal recently, with the yuan tied to several foreign currencies and the value of the dollar dropping, China could be less inclined to purchase dollars as a way of keeping the yuan down. Fewer Treasury bond purchases by China, in turn, would drive bond prices down and boost yields—which, subsequently, would cause borrowing costs for residential and some corporate customers to increase. Does anyone want to guess what a sudden burst of the real estate bubble might mean for the shaky U.S. economy? This is not an argument for the status quo, however, but rather an observation that there are often unforeseen consequences when we demand that foreign governments manipulate their currency to U.S. "advantage."

At the very least, American consumers will feel the strengthening of the yuan in the form of higher U.S. retail prices. This will disproportionately affect Americans of lower incomes and, as a consequence, slow the economy and increase the hardship of those struggling to get by. Is this why our constituents have sent us here?

In conclusion, I strongly oppose this ill-considered and potentially destructive bill, and I hope my colleagues will join me in rejecting it.

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

The SPEAKER pro tempore (Mrs. CAPITO). The question is on the motion offered by the gentleman from California (Mr. THOMAS) that the House suspend the rules and pass the bill, H.R. 3283, as amended.

The question was taken.

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

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

The yeas and nays were ordered.

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

GENERAL LEAVE

Mr. ENGLISH of Pennsylvania. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of H.R. 3283, the bill just considered.

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

There was no objection.

BRIAN P. PARRELLO POST OFFICE BUILDING

Ms. FOXX. Madam Speaker, I move to suspend the rules and pass the Senate bill (S. 904) to designate the facility of the United States Postal Service located at 1560 Union Valley Road in West Milford, New Jersey, as the "Brian P. Parrello Post Office Building".

The Clerk read as follows:

S. 904

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

SECTION 1. BRIAN P. PARRELLO POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 1560 Union Valley Road in West Milford, New Jersey, shall be known and designated as the "Brian P. Parrello Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the "Brian P. Parrello Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from North Carolina (Ms. FOXX) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentlewoman from North Carolina (Ms. FOXX).

GENERAL LEAVE

Ms. FOXX. Madam 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 Senate bill under consideration.

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

There was no objection.

Ms. FOXX. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the global war on terror is being fought at home and abroad by the bravest of Americans. Lance Corporal Brian Parrello, a 19-year-old serving with the Second Marine Division from Passaic County, New Jersey, was one of the most heroic of our fellow citizens.

Lance Corporal Parrello was killed in the city of Hadithah in Iraq on New Year's Day of this year.

I know I speak for all American citizens when I say that we have boundless appreciation for Lance Corporal Parrello's service to our Nation. There are many ways we can remember his immeasurable efforts to rid the world of the scourge of international terrorism. One small, but meaningful, way we can memorialize Brian's selfless courage and his priceless life is through this legislation.

To get a sense of Brian's patriotism, I want to impart some words that his older brother Matthew Parrello shared with the local newspaper following Brian's passing in January. Matthew told The Bergen Record newspaper that Brian "wanted to serve his country, and he loved what he was doing. He was proud to be a Marine, and he loved the guys he was serving with."

Matthew said Brian had considered joining the military during high school. During his senior year, in February of 2003, Brian enlisted in the Marine Corps. He began active duty September 22, 2003, three months after his high school graduation.

Sean Poppe, Brian's high school football coach, said Lance Corporal Parrello "possessed a strong desire to excel in whatever he did." Indeed, Lance Corporal Parrello gave his excellent life to this Nation.

Madam Speaker, America owes the greatest of debts to heroes like Brian Parrello. No reward, decoration, or compensation can approach what Brian Parrello devoted to his country. However, I appreciate the Senator from

New Jersey's efforts to remember Brian's life through this legislation that would name a post office after him in his hometown of West Milford, New Jersey.

Madam Speaker, I strongly support Senate 904.

Madam Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, as a member of the House Committee on Government Reform, I am pleased to join my colleague in consideration of S. 904, a bill designating the postal facility in West Milford, New Jersey, after the late Brian P. Parrello. This measure, which was introduced by Senator FRANK LAUTENBERG, a Democrat from New Jersey, on April 26, 2005, was unanimously passed by the Senate on June 29, 2005.

Lance Corporal Brian P. Parrello, 19, was killed Saturday, January 1, 2005, as a result of hostile action in Hadithah, a city along the Euphrates River. Brian Parrello is remembered by friends and family as being a ''good guy,'' a young person who had dreams of one day becoming a teacher.

Lance Corporal Brian P. Parrello had an avid interest in history. His high school principal, Michael McCormick, recalled that Brian ''took every elective history course that we have in our school.''

Madam Speaker, I commend my colleague for seeking to honor the memory of the late Brian Parrello in this manner. Brian is to be remembered for his sacrifice and that he lost his life in furtherance of our freedom. We should not forget that he died in combat, and we would hope that we could end this conflict so that it would not be necessary that we take to the floor to honor young people whose lives are snuffed out far too quickly.

This is indeed a tribute to Brian, and I would urge passage of this bill.

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

Ms. FOXX. Madam Speaker, I yield such time as he may consume to my distinguished colleague from the State of New Jersey (Mr. GARRETT), the author of the House version of this honor for Brian Parrello.

Mr. GARRETT of New Jersey. Madam Speaker, I also humbly rise this morning as we support a bill to rename the post office in West Milford, New Jersey, up in my district, after Lance Corporal Brian P. Parrello who was killed in action, as we say, in Iraq earlier this year, in January. He was an honorable defender of liberty, and he deserves our gratitude and respect.

Brian joins that long list of our country's heroes who have made the ultimate sacrifice so that each and every one of us can live free. After the attacks on September 11, 2001, Brian proudly joined the United States Marine Corps where he was assigned to the Second Marine Expeditionary Force in North Carolina. In Iraq, Brian served in the Marine's swift boat unit where he patrolled the Tigris and Euphrates rivers.

As indicated earlier, back in West Milford High School, he served on both the football and the hockey teams. His teachers and his coaches and his peers called him a real leader, a real role model, someone who always gave 150 percent to everything that he did, a guy with a big heart who led by example. That is why I am proud to have introduced the legislation in this House to rename the post office in West Milford after Brian.

I am sure that Brian would have been proud to see the Iraqi people vote in the fair and free elections this past January. Brian gave all he could to help secure those freedoms. The war on terror is global in nature, and Brian fought in Iraq so that we may end the scourge of radical Islam and keep terrorists from attacking our homeland and freedom-loving people around the entire world.

Now, we can never fully express our gratitude for his sacrifice, for the freedom and the security to our Nation; but I am proud that we can leave a lasting memorial so that his heroic actions can be remembered in this country for now and future generations as well.

Today, we also remember his family, and we send them our prayers and our comfort as well.

Ms. FOXX. Madam Speaker, I urge all Members to support S. 904.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from North Carolina (Ms. FOXX) that the House suspend the rules and pass the Senate bill, S. 904.

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

A motion to reconsider was laid on the table.

SERVICEMEMBERS' GROUP LIFE INSURANCE ENHANCEMENT ACT OF 2005

Mr. BUYER. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 3200) to amend title 38, United States Code, to enhance the Servicemembers' Group Life Insurance program, and for other purposes.

The Clerk read as follows:

H.R. 3200

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Servicemembers' Group Life Insurance Enhancement Act of 2005''.

SEC. 2. REPEALER.

Effective as of August 31, 2005, section 1012 of division A of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109–13; 119 Stat. 244), including the amendments made by that section, are repealed, and sections 1967, 1969, 1970, and 1977 of title 38, United States Code, shall be applied as if that section had not been enacted.

SEC. 3. INCREASE FROM $250,000 TO $400,000 IN AUTOMATIC MAXIMUM COVERAGE UNDER SERVICEMEMBERS' GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE.

(a) MAXIMUM UNDER SGLI.—Section 1967 of title 38, United States Code, is amended—

(1) in subsection (a)(3)(A)(i), by striking ''$250,000'' and inserting ''$400,000''; and

(2) in subsection (d), by striking ''of $250,000'' and inserting ''in effect under paragraph (3)(A)(i) of that subsection''.

(b) MAXIMUM UNDER VGLI.—Section 1977(a) of such title is amended by striking ''$250,000'' each place it appears and inserting ''$400,000''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 1, 2005, and shall apply with respect to deaths occurring on or after that date.

SEC. 4. NOTIFICATION TO MEMBER'S SPOUSE OR NEXT OF KIN OF CERTAIN ELECTIONS UNDER SERVICEMEMBER'S GROUP LIFE INSURANCE PROGRAM.

Effective September 1, 2005, section 1967 of title 38, United States Code, is amended by adding at the end the following new subsection:

''(f)(1)(A) Whenever a member who is eligible for insurance under this section executes a life insurance option specified in subparagraph (B), the Secretary concerned shall notify the member's spouse or, if the member is unmarried, the member's next of kin, in writing, of the execution of that option.

''(B) A life insurance option referred to in subparagraph (A) is any of the following:

''(i) An election under subsection (a)(2)(A) not to be insured under this subchapter.

''(ii) An election under subsection (a)(3)(B) for insurance of the member in an amount that is less than the maximum amount provided under subsection (a)(3)(A)(i).

''(iii) An application under subsection (c) for insurance coverage under this subchapter or for a change in the amount of such insurance coverage.

''(iv) In the case of a married member, a designation under section 1970(a) of this title of any person other than the spouse or a child of the member as the beneficiary of the member for any amount of insurance under this subchapter.

''(2) Whenever an unmarried member who is eligible for insurance under this section marries, the Secretary concerned shall notify the member's spouse in writing as to whether the member is insured under this subchapter. In the case of a member who is so insured, the Secretary shall include with such notification—

''(A) if the member has made an election described in paragraph (1)(B)(ii), notice that the amount of such insurance is less than the maximum amount provided under subsection (a)(3)(A)(i); and

''(B) if the member has designated a beneficiary other than the spouse or a child of the member for any amount of such insurance, notice that such a designation has been made.

''(3)(A) Notification of a spouse under paragraph (1) or (2), or of any other person under paragraph (1), for purposes of this subsection shall consist of a good faith effort to provide information to the spouse or other person at the last address of the spouse or other person in the records of the Secretary concerned.

''(B) Failure to provide such notification, or to provide such notification in a timely manner, does not affect the validity of any life insurance option referred to in paragraph (1)(B).''.

SEC. 5. INCREMENTS OF INSURANCE THAT MAY BE ELECTED.

(a) INCREASE IN INCREMENT AMOUNT.—Subsection (a)(3)(B) of section 1967 of title 38, United States Code, is amended by striking ''member or spouse'' in the last sentence and inserting ''member, be evenly divisible by $50,000 and, in the case of a member's spouse,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on September 1, 2005.

SEC. 6. AUTHORITY TO ELECT NEW TRAUMATIC INJURY PROTECTION.

(a) OPT-OUT AUTHORITY.—Section 1980A of title 38, United States Code, is amended by adding at the end of subsection (b) the following new paragraph:

''(4)(A) A member may elect in writing not to be insured under this section.

''(B) If a member eligible for insurance under this section is not so insured by reason of an election made under subparagraph (A), the member may thereafter elect to be insured under this section upon written application by the member, proof of good health, and compliance with such other terms and conditions as may be prescribed by the Secretary. Insurance under this section upon such an election is effective upon the date of the receipt by the Secretary of such application and shall apply only with respect to injuries incurred after that date.

''(C) The Secretary shall prescribe by regulation conditions as to how and when elections under subparagraph (B) shall be made. Such regulations may include limiting the time for such elections to an annual open season, for a duration each year prescribed by the Secretary.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect immediately after section 1980A of title 38, United States Code, takes effect pursuant to section 1032(d)(1) of division A of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief, 2005 (Public Law 109–13; 119 Stat. 260).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Indiana (Mr. BUYER) and the gentlewoman from Nevada (Ms. BERKLEY) each will control 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BUYER).

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

Madam Speaker, on July 14, 2005, the Committee on Veterans' Affairs reported H.R. 3200, the Servicemembers' Group Life Insurance Enhancement Act of 2005. Among other things, this bill would provide a permanent authorization for increases in maximum life insurance coverage under the Servicemembers' Group Life Insurance, referred to as the SGLI program, and the Veterans' Group Life Insurance, referred to as the VGLI program from $250,000 to $400,000.

Public Law 109–113, the Emergency Supplemental Appropriations Act For Defense, the Global War on Terror, and Tsunami Relief of 2005, increased the maximum coverage to $400,000 under these programs. However, the authorization expires on September 30, 2005.

It is my understanding that the Senate included the termination date, which was approved in the conference report, to afford the legislative committees the jurisdiction and opportunity to hold public hearings and further consider the specifics of the emergency authorization before it could be made permanent.

The increased level of coverage was requested by the President because of concerns over death benefits for the survivors of servicemembers being inadequate as our Nation fights the global war on terrorism. H.R. 3200 would also repeal the provision of Public Law 109–13 which prevents a married servicemember from declining SGLI coverage, or opting for an amount less than the maximum, without the written consent of the spouse. Public Law 109–13 mandates spousal consent, even in cases where the couple is estranged, as long as they are legally married.

The committee does not believe providing a spouse such veto authority over life insurance elections is good public policy. The spousal consent requirement could also result, for example, in a servicemember's spouse excluding stepchildren as beneficiaries. The government should not interfere legally in a servicemember's highly personal choices about such family matters.

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H.R. 3200 would instead require the military service Secretary concerned to provide written notification to the spouse or the next of kin of an unmarried servicemember as to the servicemember's insurance election.

The committee believes that this is the preferable way of ensuring that the spouse or beneficiary is informed about this important financial decision, while preserving the individual right of the servicemember to make decisions about life insurance coverage.

Finally, Public Law 109–13 also provides for a new traumatic injury program. The traumatic injury program provides financial assistance in the amounts from $25,000 to $100,000 to servicemembers who suffer certain traumatic injuries.

The traumatic injury protection under current law is mandatory for servicemembers who elect SGLI coverage with premiums paid by the servicemember. No hearing had been held on this new program until June 16 of 2005, when the Veterans' Affairs Subcommittee on Disability Assistance and Memorial Affairs held a hearing on H.R. 3200 in its draft form and on the traumatic injury protection program.

H.R. 3200 would allow a servicemember to decline traumatic injury coverage. This program authorization will be effective December 1, 2005, for servicemembers, but it is retroactive to October 7, 2001, when Operation Enduring Freedom began, for qualifying losses that are a direct result of injuries incurred in Operation Enduring Freedom and/or Operation Iraqi Freedom

Madam Speaker, I reserve the balance of my time.

Ms. BERKLEY. Madam Speaker, I yield myself such time as I may consume.

I would like to thank the gentleman from Indiana (Mr. BUYER), the gentleman from Illinois (Mr. EVANS) and the gentleman from Florida (Mr. MILLER) for bringing this bill to the floor before the August recess.

H.R. 3200 would make the maximum amount of $400,000 in the Servicemembers Group Life Insurance program permanent. In May of this year, Congress acted to increase the maximum amount of SGLI available to the men and women who are currently serving in the Armed Forces from $250,000 to $400,000. However, without passage of H.R. 3200, the increase in SGLI benefits will expire on September 30, 2005, prior to the time we return from our recess. This legislation is necessary in order to prevent any gaps in servicemembers' coverage under the SGLI program.

I appreciate the gentleman from Florida (Chairman MILLER's) cooperation in addressing my concerns that spousal consent not be a part of this SGLI program. The VA is already hearing from servicemembers who are upset that they must seek to obtain the consent of an estranged spouse before selecting less than the maximum amount of life insurance. We on the subcommittee have worked together in a bipartisan way on this matter.

I support the provision to eliminate the spousal consent requirement contained in Public Law 109–13. I also support the provision to eliminate the requirement that notice be sent to a current spouse if a servicemember elects to name a child or children as beneficiaries of their SGLI.

I believe we need to allow servicemembers to make decisions on the beneficiaries of their life insurance without any pressure to ignore their financial responsibility to their children, particularly from a prior marriage.

This bill is urgently needed to provide continuous coverage to our servicemen and women. I know that the men and women from Nevada who are currently serving will benefit from this bill. I urge all Members to support H.R. 3200.

Madam Speaker, I reserve the balance of my time.

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

I would like to acknowledge the contributions of the gentleman from Arizona (Mr. RENZI) for his hard work on this legislation. On April 16, 2005, Mr. RENZI introduced H.R. 1618, which would create a traumatic injury protection program similar to what was enacted in Public Law 109–13.

On June 16, the gentleman from Arizona (Mr. RENZI) testified before the Subcommittee on Disability Assistance and Memorial Affairs, and his comments helped shape the bill which we are currently considering today. The gentleman from Arizona (Mr. RENZI) is a strong supporter of our Nation's servicemen and women, and I appreciate his input.

I would also note that I have had continuous dialogue with the gentleman from Arizona (Mr. RENZI), and I deeply appreciate his passion. In having grown up in a military family, he has great understanding of the sacrifices of the men and women who wear the uniform.

Madam Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. RENZI).

Mr. RENZI. Madam Speaker, I want to thank the Chairman very much for the opportunity to speak on this legislation, for his leadership, and for the time that he has spent in mentoring me, particularly on this piece of legislation.

The bill that we are considering today, the Servicemembers' Group Life Enhancement Act of 2005, makes permanent and improves a significant change which passed a few months ago. In May, as part of the Emergency Wartime Supplemental Act, Congress passed the provision that allows the armed services and members of the armed services to purchase insurance coverage to protect against traumatic disabling injuries. This new traumatic injury protection program will be up and running in December, and will protect our servicemen and women against the economic consequences of severe disabilities while suffered on Active Duty. It will greatly assist our Armed Forces and their families during a servicemember's hospitalization time and their rehabilitation period, as well as their transition back to full employment.

At a time injured servicemembers and their family need to concentrate on physical recovery and emotional well-being, they are too often burdened with mounting financial debt, and this program goes a long way to help them.

Hospitalization following a traumatic injury often requires the servicemember's family members to leave work for an extended period of time to be with their loved ones, thus potentially losing a source of income. They incur tremendous costs, such as travel and living expenses, at a very stressful time. Travel, housing, food and child care costs can often amount to tens of thousands of dollars, and this insurance program will provide up to $100,000 to these servicemembers to help pay for these indirect costs.

We ask our young people to volunteer their service, and they serve with distinction. This program will be especially important to members of our National Guard and Reserve in which we have a moral obligation to provide the necessary means for our servicemember to transition back to civilian life.

Medical technology has made great gains in the past years. Many of our soldiers who would have been killed in battle now come home with severe disabilities. We need to continue to assist these wounded warriors as they adjust to life with their new disabilities. Therefore, it is vital that we recognize the difficult sacrifices made by our military and their families, and we do all that we can to assist them when they need it most. Our Nation must never forget our wounded warriors, and this legislation goes a long way to help them and to recognize that we care.

I thank the committee. I thank the gentleman from Indiana (Chairman BUYER) and the gentlewoman from Nevada (Ms. BERKLEY) for their approval, and I especially thank the gentleman from Florida (Mr. MILLER), the chairman of the subcommittee, for his help.

Madam Speaker, I urge my colleagues to pass this important legislation.

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

Ms. BERKLEY. Madam Speaker, I would also like to thank the gentleman from Arizona (Mr. RENZI) for his leadership on this issue.

Madam Speaker, I yield 4 minutes to the gentleman from California (Mr. FILNER).

Mr. FILNER. Madam Speaker, I, too, rise to speak about improvements in insurance for veterans and their families.

This bill, H.R. 3200, will permanently, as we have heard, increase the amount of Servicemembers' Group Life Insurance from $250,000 to $400,000 if a servicemember is killed in the line of duty.

It would also provide the same permanent increase in the Veterans' Group Life Insurance program. These changes, of course, make the insurance more in line with today's economy, and we all should support the passage of H.R. 3200.

But I think there are other changes beyond what is in this bill that we also should take before this Congress ends. These changes would, first of all, affect the Service-Disabled Veterans Insurance, the SDVI program. When this insurance program began in 1951, the premiums were based on a 1940 mortality rate. Current standard life insurance policies have premiums based on a 2001 mortality rate, except for this program, which still charges premiums based on a table that is 60 years out of date, which results in higher premiums.

The Independent Budget, that document prepared and endorsed by many veterans service organizations, has recommended that the mortality table be updated. I have introduced a bill, H.R. 2747, the Disabled Veterans Life Insurance Enhancement Act, that would make this important change and decrease this premium payment for disabled veterans.

A second part of my bill affects the mortgage life insurance for severely disabled veterans. Currently this insurance covers only about 55 percent of outstanding mortgage balances. We know how the cost of housing has skyrocketed in most areas of our Nation. In May of 2001, an evaluation by the Department of Veterans Affairs recommended increased coverage. And my bill, H.R. 2747, implements these recommendations by increasing the maximum which would be expected to cover 94 percent of mortgage balances.

Finally, military families are currently provided with $10,000 of life insurance for each child when the servicemember is covered by the program. Some military families have been denied this benefit because their child was stillborn. My bill, H.R. 2747, would extend the $10,000 benefit to those families to help pay for funeral and burial expenses. I note that the Senate Veterans Affairs Committee has taken up this issue in their June 23 hearing.

Let us begin to update and fix the insurance for our servicemembers and our veterans by passing the bill before us, H.R. 3200. But I also encourage my colleagues to cosponsor and support my insurance bill, H.R. 2747, which expands what we are doing here today to additional insurance provisions and programs to support all of our Nation's veterans.

Ms. BERKLEY. Madam Speaker, I reserve the balance of my time.

Mr. BUYER. Madam Speaker, at this time I yield 2 minutes to the gentleman from New Hampshire (Mr. BRADLEY), a member of the committee.

Mr. BRADLEY of New Hampshire. Madam Speaker, I want to thank the gentleman from Indiana (Mr. BUYER) for the leadership that he has shown on this issue as well as the gentlewoman from Nevada (Ms. BERKLEY), the gentleman from California (Mr. FILNER), and the gentleman from Illinois (Mr. EVANS) and others.

It is not often that we have the opportunity to come together to do the right thing, to do it in a bipartisan fashion. It is a tribute to the gentleman from Indiana (Mr. BUYER's) leadership and to our friends on the other side of the aisle, and all of the leadership of the committee deserve great credit for doing this.

The details of this bill have been discussed by the chairman and others. I do not need to go through the details. What I want my colleagues to understand is the importance of this bill and why we are doing this bill, why we are increasing the SGLI benefit, the death benefit, and instituting an insurance benefit for injuries.

Most of us have had the opportunity to visit our troops in Iraq, in Afghanistan, and in many other countries around the world, as we are fighting and prevailing in this war on terrorism. And what we have seen when we have visited our troops is the dedication, the sacrifice, the American grit and courage to get the job done to win this battle against terrorism.

And when things happen, when people pay the ultimate sacrifice, when they return with disabling injuries, our country has to make sure that we match their commitment so that they are able to, if they paid the ultimate sacrifice, know that their families will have an increased death benefit; or if they have traumatic injuries, realize that there is help for their recovery and for their family.

This bill does it. It is a major step in the right direction. It is one that has been done in a bipartisan fashion. And I salute the leadership on both sides of the aisle of the committee for getting the job done.

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

Ms. BERKLEY. Madam Speaker, I yield 3 minutes to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Madam Speaker, there is no way our Nation can fully repay military widows and their children who have lost their loved ones in service to our country. However, at the very least we should see that the burden that these families bear is not made heavier by financial difficulties in the wake of their deep personal losses.

□ 1200

That is what this legislation is all about. And I want to congratulate the gentleman from Arizona (Mr. RENZI) and the gentlewoman from Nevada (Ms. BERKLEY) for their authorship and leadership on this bill. I want to salute my colleague and leader on the Committee on Veterans' Affairs, the gentleman from Indiana (Mr. BUYER), for his work in bringing this together on a bipartisan basis. I salute my Democratic colleague, the gentleman from Illinois (Mr. EVANS).

When we work on things, important legislation, together on a bipartisan basis, the press galleries are always empty. But that is not a reflection on the importance this legislation, because it will make a true difference in the lives of great American citizens and families who have sacrificed so much for all of us.

Congress with this bill has taken the first step in the right direction by increasing the death gratuity from $12,420, a paltry amount, to a more significant $100,000 in the 2006 defense authorization bill. I want to emphasize we must absolutely pass that increase this year and make it permanent.

In this bill, H.R. 3200, by increasing life insurance from $250,000 to $400,000 for servicemembers' families, we take an important step forward in helping our military families and loved ones who have paid such a dear price and sacrifice to our Nation. If fully enacted, the increase in death gratuity to $100,000 and the availability of relatively low-cost life insurance up to $400,000 should make it difficult if not impossible for anyone to try to take advantage of our military families by selling them outdated, over-priced life insurance policies.

As our Nation asks more and more from our military families and our war on terrorism, Congress has a moral obligation to provide all of our military families with quality education, housing, and health care. And when a service man or woman has paid the ultimate price, we have a moral responsibility to provide financial security to their widow and their children.

This bill is not the final fulfillment to our obligation to our service men and women and veterans, but it certainly takes us in the right direction. It is a good bill. I salute all of those who had a hand in making it possible for its passage today.

Ms. BERKLEY. Madam Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. EVANS), a former Marine, a true warrior on behalf of our Nation's veterans, and the ranking Democratic member of the committee.

Mr. EVANS. Madam Speaker, I rise in support of H.R. 3200.

Earlier this year, Congress increased the amount of SGLI available to servicemembers up to $400,000. That provision is scheduled to expire as of September 30, 2005.

We need to make this increase permanent. The costs for this increase would be borne by the men and women who are covered under the SGLI program. SGLI is an insurance program paid by the men and women who are insured. Only in times of war when there is a marked increase in servicemember deaths does the government contribute payments for extra hazards.

H.R. 3200 will receive my full support, and it deserves the support of all Members of this House.

Madam Speaker, I rise in strong support of H.R. 3200, the Servicemembers' Group Life Insurance Enhancement Act of 2005.

Earlier this year, in Public Law 109–13, Congress increased the amount of Servicemembers' Group Life Insurance, SGLI, available to servicemembers. That provision is scheduled to expire as of September 30, 2005. This bill would make the $400,000 of coverage provided on a temporary basis in Public Law 109–13, permanent.

The costs for this increased amount of insurance would be borne by the men and women who are covered under the SGLI program. We must never forget that SGLI is an insurance program, paid for by the men and women who are insured.

Only in times of war when there is a marked increase in servicemember deaths, is the government charged for the "extra hazards" of this insurance. No government payments were made between the end of the Vietnam era and 2003. During the last 3 years, the military services have contributed to the cost of payments for "excess deaths", the number of deaths which exceed the expected death rate by more than 8 percent, resulting primarily from military operations in Afghanistan and Iraq.

H.R. 3200 also establishes criteria for notification to the spouse or next of kin when a servicemember elects less than the maximum amount of SGLI and notification to a spouse when a servicemember names a beneficiary who is neither the spouse nor child.

Generally, I would expect that a servicemember would discuss his or her financial decisions with persons who may be beneficiaries of a life insurance policy. The notice provisions may be helpful in those situations where a servicemember inadvertently fails to inform their next of kin or spouse of these decisions.

I am strongly opposed to the provision included in Public Law 109–13 which would require a married servicemember to obtain the consent of their spouse, even in situations where the spouses are estranged, if less than the maximum amount of coverage is selected. I am pleased that that provision would be repealed by this bill.

I also believe that no notice should be provided when a servicemember names a child or children rather than their current spouse as the beneficiary of a SGLI policy. Servicemembers are in the best position to determine whether a spouse or child, or some combination of spouse and child should receive the proceeds of their SGLI in the event of the servicemember's death.

Finally, the bill would allow a servicemember to decline coverage under the traumatic injury protection of Public Law 109–13. This insurance, like SGLI, is paid for by the servicemembers with extra hazards coverage for excess traumatic injuries in wartime paid by the military services.

I urge all members to support this bill, so that enhanced coverage currently provided under SGLI will not lapse on September 30, 2005.

H.R. 3200 will receive my full support and it deserves the support of all Members of this House.

Ms. BERKLEY. Madam Speaker, I yield myself the balance of my time. I urge all of my colleagues to support H.R. 3200. I am absolutely delighted we were able to do this prior to the August recess so that we can assure continuity for our veterans.

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

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

Madam Speaker, I would like to commend the gentleman from New York (Mr. WALSH) and the ranking member, the gentleman from Texas (Mr. EDWARDS), of the Subcommittee on Military Quality of Life and Veterans Affairs, and Related Agencies of the Committee on Appropriations when they took up this matter at the request of the President.

I also would like to commend the hard work of the gentleman from Florida (Mr. MILLER), the chairman of the Subcommittee on Disability Assistance and Memorial Affairs of the Committee on Veterans' Affairs, in the consideration of this bill in a timely fashion and ensuring that the Servicemember Group Life Insurance Enhancement Act of 2005 was quickly passed.

I also want to note that the gentleman has been actively involved in these insurance provisions since we were first made aware of them. Following the submission of the supplemental, he convened a roundtable with the administration officials, and he has taken a lead on the crafting of this bill; and I want to thank him for his efforts.

I also want to commend the gentlewoman from Nevada (Ms. BERKLEY), the ranking member, for working with the gentleman from Florida (Mr. MILLER) on this legislation. Her input was valuable, and we appreciate her efforts on behalf of men and women who wear the uniform and our veterans.

I also again want to commend the gentleman from Arizona (Mr. RENZI)

for his contributions to this legislation. I also reserve the last of my thanks to the gentleman from Illinois (Mr. EVANS), the ranking member of full committee, for his good work.

Congress must act promptly to ensure permanent SGLI authorization is enacted before September 30 of 2005, or the coverage levels for servicemember life insurance will revert to $250,000 on October 1 of 2005. I do not believe any Member of this body would want to see that happen. I strongly urge my colleagues to give favorable consideration to H.R. 3200.

Mr. BISHOP of New York. Mr. Speaker, I proudly rise today in support of H.R. 3200, the Servicemembers' Group Life Insurance Enhancement Act of 2005.

As our brave men and women continue to put their lives on the line for our Nation, we owe each of them the peace of mind they were promised, and to make it easier for their families with the knowledge that they will be cared for in a catastrophe.

Active duty personnel fulfill a critical mission in our fighting forces, and they should feel comfortable knowing that their loved ones will be provided for in the event of debilitating injury or death. I am pleased that we are expanding current benefits to adequately care for military families.

The Servicemembers' Group Life Insurance Act was passed to provide peace of mind for active duty personnel. However, since the creation of life insurance for those in the armed forces, benefits have not kept up with need, and it is now appropriate that we increase the maximum payments to families from $250,000 to $400,000.

Mr. Speaker, I am pleased that we are working to correct this problem by offering this bill, and by expanding benefits to our active duty forces and providing a safety net for military families who suffer the unthinkable loss of a loved one.

Mr. MILLER of Florida. Mr. Speaker, Public Law 109–13, the Emergency Supplemental, included provisions which made changes to VA's insurance program for active duty servicemembers. However, these changes expire on September 30, 2005.

H.R 3200 would:

Repeal section 1012 of the Supplemental, the section dealing with the insurance changes, and replace it with the text of H.R. 3200. This will reduce the administrative burden on the Department of Veterans Affairs and the Department of Defense who are currently promulgating regulations that are to be in effect for one month before the law expires;

Make permanent the increase from $250,000 to $400,000 in maximum Servicemembers' Group and Veterans' Group Life Insurance coverage;

Make permanent the increments of SGLI coverage from $10,000 to $50,000; and

Require the military service Secretary concerned to notify a servicemember's spouse or unmarried servicemember's next-of-kin, in writing, if the servicemember declines SGLI or chooses an amount less than the maximum, and also require the military service Secretary concerned to notify a spouse if someone other than the spouse or child is designated as the policyholders' beneficiary.

This language was included in H.R. 2046, which passed the House on May 23: Clarify that spousal notification requirement does not apply to Veterans' Group Life Insurance; and Permit a servicemember to decline Traumatic Injury Protection coverage established by section 1032 of Public Law 109–13.

There were no public hearings regarding the servicemembers' and veterans' insurance changes prior to House and Senate passage of the defense emergency supplemental. However, on March 6, 2005, the Veterans' Affairs Subcommittee on Disability Assistance and Memorial Affairs held a roundtable briefing on these provisions with officials from the Department of Veterans Affairs, the Department of Defense, and private sector insurance representatives. Last month, the Subcommittee held a hearing on these proposals and this bill is a response to issues and concerns I and others had with the insurance provisions contained in the Supplemental.

In addition to the provisions noted above, the Supplemental also provided for a new Traumatic Injury Protection program.

As Chairman BUYER indicated in his opening statement, this program—which goes into effect on December 1 of this year but is retroactive to October 7, 2001—will provide financial assistance from $25,000 to $100,000 to servicemembers who suffer certain traumatic injuries.

Under current law, participation in the new program is mandatory and those covered must pay premiums. Although the Department of Veterans Affairs estimate the premium to be as Iowa $1 a month, I do not believe Congress should be making financial decisions for the men and women who serve in our armed forces, Coast Guard, National Oceanic and Atmospheric Administration, and the Public Health Service—all of whom are covered under this new program.

Therefore, section 6 of H.R. 3200 would allow a servicemember to decline traumatic injury coverage. I view our role as ensuring that our servicemembers have a variety of options to assist them in planning for the future. If at a later date someone wants to participate, they would be able to elect coverage upon written application, and coverage would apply with respect to injuries occurring after the subsequent election.

Mr. Speaker, I applaud Ms. BERKLEY, the ranking member of the Subcommittee on Disability Assistance and Memorial Affairs, for her active participation in crafting this bill, as well as the subcommittee vice chairman, JEB BRADLEY, and a former member of the Committee, RICK RENZI. This has indeed been a team effort.

I also want to thank the subcommittee staffs on both sides of the aisle, and the Office of Legislative Counsel for their technical assistance.

Finally, I commend Chairman BUYER and Ranking Member EVANS for their continuing leadership.

Mr. Speaker, I urge my colleagues to support the Servicemembers' Group Life Insurance Enhancement Act.

Mr. REYES. Mr. Speaker, I rise today in strong support of H.R. 3200, the Servicemembers Group Life Insurance (SGLI) Enhancement Act of 2005.

Since 1965, the SGLI program has been providing insurance coverage for our men and women in uniform. While the SGLI initially covered only active duty servicemembers, today it extends coverage to our nation's guard and reserve forces as well.

This legislation would increase the minimum SGLI coverage from $10,000 to $50,000 and make permanent the increase in maximum coverage from $250,000 to $400,000. This increased insurance coverage would become available for any servicemember wanting to participate.

The war on terror has placed greater demands on all of our active duty and reserve forces at home and abroad. These brave men and women have made tremendous sacrifices for our freedom and it is our responsibility as Members of Congress to do everything possible to assist them both during and after their service to our country.

Mr. Speaker, my colleagues and I on the House Veterans Affairs Committee favorably passed H.R. 3200 and as a co-sponsor I would urge all my colleagues to do the same on the House floor. Thank you.

Ms. BORDALLO. Mr. Speaker, I rise today in support of H.R. 3200 because of the importance of making permanent the provisions included in P.L. 109–13, the War Supplemental, related to the Servicemembers' Group Life Insurance (SGLI) Program.

SGLI is an important benefit offered to America's servicemembers particularly during this time of war. Prior to passage of P.L. 109–13, SGLI provided inadequate life insurance coverage to American servicemen and women. This inadequacy became intolerable when juxtaposed with the sacrifices of servicemembers in the War on Terror. With the former maximum coverage level set at $250,000, a servicemember could not ensure that his or her family would have sufficient resources to endure a catastrophic loss. In the 2005 War Supplemental, Congress increased coverage to $400,000, and, importantly, applied the provision retroactively in order to provide relief to the many families that had already lost a loved one in combat. However, the provisions included in the supplemental will expire in September 2005. H.R. 3200 is important because it makes permanent the supplemental's provisions on SGLI including increasing life insurance coverage to $400,000.

America asks her sons and daughters in the Armed Services to make extreme sacrifices to protect our liberties, our freedom and our way of life. Tragically, in the prosecution of the War on Terror many of our Soldiers have made the ultimate sacrifice. We have an obligation to those fallen heroes to protect the families they left behind. By providing for SGLI coverage that reflects the degree of our Soldiers' sacrifices and the needs of families when faced with the loss of a breadwinner, we are moving a step closer to fully and properly caring for America's heroes. This is not an option, but an obligation.

I am pleased that the over one hundred thousand troops now deployed into combat zones in support of the War on Terror can rest easier knowing they will permanently have access to affordable and sufficient life insurance. While they protect all of us from duty stations overseas, today we are helping protect them here at home.

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

The SPEAKER pro tempore (Mr. ISSA). The question is on the motion offered by the gentleman from Indiana (Mr. BUYER) that the House suspend the rules and pass the bill, H.R. 3200.

The question was taken.

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

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

The yeas and nays were ordered.

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

GENERAL LEAVE

Mr. BUYER. 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 materials on H.R. 3200.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 515

Mr. EVANS. Mr. Speaker, I ask unanimous consent to have the name of the gentleman from Florida (Mr. BOYD) removed as a cosponsor of H.R. 515, as it was inadvertently added.

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

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2361, DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2006

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2361) making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

There was no objection.

MOTION TO INSTRUCT CONFEREES ON H.R. 2361, DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2006

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

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

The Clerk read as follows:

Mr. Obey moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 2361 be instructed to agree to section 439 of the Senate amendment, providing $1,500,000,000 for fiscal year 2005 for the Department of Veterans Affairs for medical services provided by the Veterans Health Administration and designating that amount as an emergency requirement pursuant to section 402 of H. Con. Res. 95 (109th Congress).

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Wisconsin (Mr. OBEY) and the gentleman from North Carolina (Mr. TAYLOR) each will control 30 minutes.

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

Mr. OBEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, for the past 3 years, a number of us on this side of the aisle, including the gentleman from Texas (Mr. EDWARDS), myself and several others, have tried to bring the administration to the realization that we needed many more dollars in the veterans health care funds than, in fact, they requested each year. And each year we have been able to drag them a little bit towards that goal, but we have not been able to drag them far enough.

As a result, we have heard many, many horror stories. We have heard that thousands of patients have had to wait more than 3 months for appointments in California. We have heard that in States like Arkansas and Oklahoma and Mississippi and Louisiana, the VA has stopped scheduling appointments for many veterans who are eligible for care. We have heard of 6-month delays in emergency surgery in Oregon. We have heard that facilities have had to erect scaffolding to protect patients and staff from falling bricks in Maine. We have heard that a medical center in Vermont has major shortfalls in their prosthetics budget. We have been told that doctors have had to pilfer supplies from neighboring hospitals to carry out routine procedures in Illinois. And we have been told that life safety improvements like replacing fire alarm systems have been postponed as the funds are used to cover operating expenses in States like California.

Yet, in the face of stories like that, in April VA Secretary Nicholson told the Congress that no additional funds would be needed for fiscal year 2005. But by the end of June he had to admit that there was a big problem, and he then testified that an additional $975 million was needed. Two weeks later, the problem in their eyes got even bigger. OMB asked for yet another $300 million for fiscal year 2005, so they are admitting a $1.3 billion shortfall right now; and the numbers look worse for the coming fiscal year.

The VA has already amended their $20 billion medical care budget request for an additional $1.7 billion, and that does not count the additional $500 million they are going to need, because I doubt that many Members want to go along with the administration's proposal to raise the veterans health care fees and co-op pays as has been suggested by the administration.

I would hope that by now every Member realizes that we have a VA health care crisis and we have to deal with it right now. The other body did the right thing in the interior bill. They provided $1.5 billion of emergency money for the VA. That would cover the immediate $975 million shortfall and provide an additional $525 million that could be distributed among the VA regions to take care of the source of problems that each of us has been hearing about.

I would point out also that in my view some Members of this House have paid a very high price for speaking out on behalf of our veterans. We saw earlier this year news stories which reported the fact that the majority caucus not only removed from his chairmanship but removed from the committee itself the Member on the other side of the aisle who chaired the committee in charge of veterans funding because he had been too insistent in agreeing with those of us on this side of the aisle who kept insisting that we needed more funding for veterans health care.

I would hope that it would be recognized that he was right, that we were right, not just about yesterday's problems but about today's and tomorrow's with respect to this account.

So I would simply urge each and every Member of this House to vote for this motion. This money is going to be provided. It is just a question of how many times we have to hit the House along side the head before, like a stubborn donkey, they finally recognize that something needs to be done.

□ 1215

Reality is here. It would be nice if we faced up to it. I would hope this would receive the unanimous support of the Members of the House.

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

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we will soon, I think, hear from our chairman of the Subcommittee on Military Quality of Life and Veterans Affairs, and Related Agencies, who will be speaking on this. I know that the error that was made is being taken care of in this legislation, in 2005 with $1.5 billion, and in 2006 with another $1.5 billion to make the entire $3 billion.

Every year, Mr. Speaker, we have raised benefits for American veterans, and rightly so. Some 68 percent of our veterans are from World War II and Korea, and we know when we go out on the plaza and see the monument to the World War II veterans the sacrifices paid. We all have relatives who served in World War II, and we know they saved this world with their dedication. We know also how much our other veterans give to this country, those who fought in subsequent wars right up through the current time with our own children fighting in Iraq.

So all of us want to provide the materials and the health care benefits for our veterans, and this amendment will be one of the steps in providing that.

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

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished ranking member of the subcommittee, the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I thank the gentleman for yielding me this time, and I want to compliment the gentleman from Wisconsin (Mr. OBEY), the gentleman from Texas (Mr. EDWARDS), and all the Members who deeply care about our veterans in this body.

I am always surprised that this issue takes on a partisan tone, because I really believe each Member cares about veterans. It is just that there seems to be an unwillingness on the part of this administration to face up to the reality of how much money is needed to take care of the veterans. And with the war raging in Iraq, and with the seriousness of the injuries, any of us who have been out to Walter Reed or to Bethesda to see these heroic young men and women who have come back with these very severe wounds, I think all of us want to see the best care given to our veterans.

We have been reading about post-traumatic stress syndrome and the consequences and the effect on the lives of these soldiers and sailors and marines when they come home after having been involved in the kind of violent combat that is being seen in Iraq. I had a chance to visit the VA Hospital in Seattle recently, and I was told by the people there that they still have a backlog, a waiting list of 2,500 people waiting to get their appointments at the Seattle VA. Now, that is just unacceptable. I hope that that has been reduced.

Mr. Speaker, I want to say that I believe the other body was correct in adding this money, but this is not something that normally would be part of the Interior appropriations bill. This is not within our jurisdiction. This is just something that happened—we were the first bill moving through, and it became a convenient vehicle in the other body to put this $1.5 billion onto.

There was an effort here to put some money, I think it was, what, $975 million—or thereabouts, which the House adopted, I believe, overwhelmingly, maybe unanimously, but it is simply not enough. I think Mr. Nicholson has not been as forthright as he should have been in telling the various committees on the Hill what was needed. But in my mind there is absolutely no excuse for not approving this $1.5 billion.

I hope that it will be unanimous that every Member of the House will vote for this because I think we should do as much as we can to take care of the legitimate needs of these people. As I said, this should not be a partisan issue. I just regret that the administration continues to underfund this important priority.

Mr. TAYLOR of North Carolina. Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Texas (Mr. EDWARDS), who has been a key leader on this issue as the ranking member of the Subcommittee on Military Quality of Life and Veterans Affairs, and Related Agencies.

Mr. EDWARDS. Mr. Speaker, for 2 years, our Nation's respected veterans' organizations, along with Democrats in Congress, have been predicting cuts in veterans' health care services due to inadequate VA health care budgets. In February, in fact, of 2004, nearly a year and a half ago, Republican chairman of the House Committee on Veterans' Affairs, the gentleman from New Jersey (Mr. SMITH), and his Democratic ranking member, the gentleman from Illinois (Mr. EVANS), in a bipartisan letter predicted the administration request for VA health care for this year would be $2.5 billion short.

Now, Mr. Speaker, what was the reaction of the House Republican leadership? Did they stand up for veterans' health care needs in funding? No. They fired the gentleman from New Jersey (Mr. SMITH) from his job as chairman of the House Committee on Veterans' Affairs and even took him completely off the committee. That may be hard to believe, but it is true. The House Republican leadership punished a Member of Congress, a member of its own party, for putting loyalty to veterans above loyalty to the House leadership during a time of war. It is not only true, it is sad.

To make matters worse, the gentleman from New Jersey (Mr. SMITH), House Democrats, and veterans' organizations were right in saying veterans' health care services were underfunded and the House leadership was wrong. At every step of the way over the past 2 years, in the Committee on the Budget, in amendments there; in the Committee on Appropriations, in amendments there; in the 302(b) allocation, the amount of money for veterans' care in the Committee on Appropriations, in all of these places and on this House floor repeatedly the House leadership has fought against the money needed to adequately support our veterans' health care needs during a time of our war on terrorism.

Even after it became public that the VA has a $1 billion shortfall, a $1 billion-plus shortfall this year, even after that, the House leadership dragged its feet. They are still dragging their feet in trying to adequately fund veterans' health care needs.

It is time for Republicans and Democrats alike, today, to do the right thing and to instruct the conferees on the Interior appropriations bill to support the same $1.5 billion emergency veterans' health care funding that was approved by a bipartisan vote of 96 to 0 weeks ago in the Senate.

It is morally wrong for our Nation to ask young troops to go into combat and then shortchange their health care when they return home as veterans. Supporting veterans' health care may be costly, but it is the right thing to do. Standing up for veterans may have cost the gentleman from New Jersey (Mr. SMITH) his job as chairman of the House Committee on Veterans' Affairs, but it was the right thing to do.

The right thing to do now is to send a message to this House leadership, that has opposed adequate funding for veterans' health care for 2 years now, that supporting veterans is more important than misplaced partisan loyalty.

Mr. TAYLOR of North Carolina. Mr. Speaker, I continue to reserve the balance of my time.

Mr. OBEY. Mr. Speaker, how much time do we have remaining on each side?

The SPEAKER pro tempore (Mr. ISSA). The gentleman from Wisconsin (Mr. OBEY) has 19 minutes remaining, and the gentleman from North Carolina (Mr. TAYLOR) has 28½ minutes remaining.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California (Mr. FILNER).

Mr. FILNER. Mr. Speaker, I thank the gentleman from Wisconsin for yielding me this time and for his leadership on behalf of our Nation's veterans, leadership which has sorely been lacking in this House.

This administration and this Congress has insulted our veterans community repeatedly in the last few months, insults which I hope we will remedy with today's motion. The head of the Office of Management and Budget actually had the nerve to testify before the Committee on the Budget that over the last 3 years the Veterans Administration had received $.5 billion more than it actually needed, more than it actually needed, when we have waiting lists which the gentleman outlined, when we have nursing and medical vacancies, when we have maintenance backlogs, when we have people waiting a year for an appointment for a dentist, and months and months for surgeries that are needed. OMB told the veterans that we have more than what was needed!

Then the Secretary of our Veterans Administration testified before committees of this Congress that we got it wrong because we had a bad mathematical model. We had a mathematical model that did not take into account the fact that there was a war going on and thousands of troops were coming back with significant injuries and with post-traumatic stress disorder. We did not know a war was going on, so we underfunded the VA. That is an insult to our Nation's veterans, that we did not know a war was going on, and we did not provide the money. Many are suffering today as a result of that decision.

And, Mr. Speaker, when we had a chance to help the veterans before our last recess, the chairman of the Committee on Veterans' Affairs said, we can only give $975 million, that that was the right number, while the Senate did $1.5 billion, which we are now instructing our House to accept today.

We could have had this money flowing to our veterans' centers weeks ago. This could have been signed by the President several weeks ago, yet in my hometown of San Diego, we have 1,000 people on a waiting list just to have their first appointment. We have maintenance backlogs and nursing shortages, and we cannot get them the money because we did not have the right numbers, said the veterans chairman.

Well, we had the right number all along, my colleagues. The Independent Budget, a professional document prepared by our veterans' service organizations, had the numbers exactly right. The mathematical model could have been tested against this, and we could have had the proper support for our Nation's veterans. So everybody who talked about our Nation's veterans when we had Memorial Day, when we had our July 4th celebrations, and we will hear it on November 11th as we have heard today, that we all support our veterans. Well, let us show it by the proper votes!

The Democrats in this Congress have tried at every level, on the Committee on the Budget, on the Committee on Appropriations, in the Senate, in the House, and we tried on the floor of this House to give the Independent Budget numbers the force of law, but we were voted down on pure party-line votes. So I hear that everybody supports our veterans, but when the votes come, the majority party is not supporting our Nation's veterans.

Let us pass this instruction motion. Let us honor our veterans and give the veterans the support they need, especially when they come home from war.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. WALSH), chairman of the Subcommittee on Military Quality of Life and Veterans Affairs, and Related Agencies, a member of the party which, as we all know, has supported our veterans with increases every year.

Mr. WALSH. Mr. Speaker, I thank the chairman of the Subcommittee on Interior, Environment, and Related Agencies of the Committee on Appropriations for calling for this motion to instruct conferees, and I rise in support of that motion, and I thank him for his hard work and support on this issue.

Mr. Speaker, we have come to this point through a fairly long circuitous route this year. There has been a number of different estimates as to what the actual needs of the Veterans' Health Administration are. We conducted lengthy, extensive hearings, as did the authorizing committee, the Committee on Veterans' Affairs, and we have been receiving different information all the way along.

It is our best determination that the $1.5 billion figure will provide us the funds that we need to complete this fiscal year, the 2005 fiscal year, and the funds that are not utilized in 2005 will be available in 2006. We are also working with our Senate counterparts to make sure that the 2006 figure is correct.

□ 1230

This has all been done with the very best intention of providing the Veterans Administration and our veterans with the resources they need to meet the demands of the patients of the hospitals of the Veterans Administration.

I think the Secretary of Veterans Affairs, Mr. Nicholson, has an opportunity here as the new Secretary. And he did not develop the budget; the budget was developed by his predecessor with the advice and counsel of the Office of Management and Budget.

Mr. Nicholson now has an opportunity to make his impression on the Veterans Administration, and the key here is accountability. Making sure that the people who provide Congress with the cost estimates to tell us how we can best serve our veterans and keep our promises, those individuals need to be accountable to the Secretary of the Veterans Administration. I know he is setting about doing that, and hopefully this difficult process that we have had this year will not be repeated.

I might add we have had estimates from the veterans service organizations in each of the 6 years that I have been chairman responsible for the appropriations for Veterans Affairs. We have been right, and I think they have been wrong; and this year their estimate was higher than ours. Who is closer, we will see at the end of the process. But to cite the estimates this year, we need to reflect those against all of the preceding years, and I think by and large we have been on the money.

By the way, we have increased this Veterans Administration budget each year in the neighborhood of double digits. No other budget within the Federal Government other than perhaps defense health has had those kinds of increases.

The House has the power of the purse. We establish our priorities with that purse, and clearly the Veterans Administration is the priority of the House of Representatives. I stand on that record.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida (Ms. CORRINE BROWN).

Ms. CORRINE BROWN of Florida. Mr. Speaker, I rise today to express my support for the Senate-passed amendment to include $1.5 billion to the veterans budget. After the budget shortfall was announced, both sides of the aisle in the Senate came together to take immediate action to address the issue. They passed a $1.5 billion emergency funding amendment to immediately get the funds to the people who need it, our veterans.

The Republican leadership of the House decided to sit on their hands and wait for President Bush to pull out of the air a number. That number was $975 million. This House passed that funding level and left for the July 4 recess. However, it turned out that the Bush level was $300 million short of funding veterans health. We know that budget is underfunded by more than $3 billion, that is B, billion. All Members need to do is read the independent budget. Every year they release their priorities, and every year the VA is short of funding to complete its mission.

While we were sitting on our hands, the three surgical operating rooms at the White River Junction in VAMC was closed on June 27 because the heating and air conditioning system was broken.

The community-based outpatient clinics needed to meet veterans' increased demand for care in the North Florida and South Georgia VA health care system was delayed due to fiscal restraint. As of April in Gainesville, Florida, there were nearly 700 service-connected veterans waiting for more than 30 days for an appointment.

Let us get past the $1.5 billion for veterans health care; let us just stop all of the talking and put our talk into action. Pass this motion to instruct and get veterans the health care that they need and deserve today.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Speaker, I just wanted to come to the floor and say the gentleman from Washington is correct, all Members of this body that I know, Republicans and Democrats, totally stand behind our veterans in giving them resources; and that is the spirit with which we should approach this debate.

But I have to tell Members, one thing we forget around here, money is one piece of it, and accountability is another. I have to tell Members that now that this is added to the interior bill, and that is where I serve, this is when I speak, that the VA is still not accountable enough.

Yes, we need this money; but do not think for a minute that more money is the answer. Some of these needs are not being met because they are not accountable. They are not efficient enough. The VA in my area is still not accountable enough, but we need this money.

To allege or assert in any way that the House Republican leadership removed the gentleman from New Jersey, let me tell Members, I was there. While I am not going to say what was said in the meeting of the steering committee, we hired the gentleman from Indiana. For all of the right reasons, we hired the gentleman from Indiana as the chairman of the Committee on Veterans' Affairs because of what he is doing and we need to do in terms of reforms and accountability at the VA. It needs to be done.

On issues like homeland security and veterans, Members can always say it is not enough money to try to appeal to people. But we have to give them the

money that they need when they need it for the purpose they need it and hold them accountable for better management. This body does not exert enough oversight on how the money is being spent. That is the truth, and it is especially true with the Veterans Affairs operation nationwide.

So, yes, let us give them the money; but let us not just throw them the money and say, There, that is more money. Let us follow through with a much more scrutinized process of accountability at the VA.

The VA should have been moving money around 10 years ago to reform, to close the facilities they do not need, open new facilities, even contract so people can go to the best health care provider in their community to receive health care.

We have got to reform the VA and give them more money, and I come to the floor today to say that the appropriations process can do that. The chairman, the gentleman from New York (Mr. WALSH), has done an outstanding job here, but surely the general public knows that Members of Congress support our veterans. All Members of Congress that I know support our veterans with the necessary funds.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. BUYER).

Mr. BUYER. Mr. Speaker, I rise today in support of the motion to instruct conferees on H.R. 2361, Department of Interior, Environment and Related Agencies Appropriations Act for Fiscal Year 2006.

This bill will provide the Department of Veterans Affairs with supplemental funding of approximately $1.5 billion for fiscal year 2005. Several weeks ago, the House of Representatives unanimously passed H.R. 3130 which provided $975 million in health care funding for the fiscal year. We did that in response to revelations at the time to a line of questioning that I had with Dr. Perlin of VHA at a full committee hearing on health care modeling and forecasting.

We learned that since the spring of this year VA hospitals and clinics were shifting significant amounts of funds into medical services from maintenance and capital equipment accounts. This shifting was driven by underestimates of long-term care requirements and increased use of VA facilities by returning Operations Enduring Freedom and Operation Iraqi Freedom veterans to also include a surge of veterans in categories 1 through 6 and category 7 for health care.

I directed Secretary Nicholson to tell us what additional funds he needed for 2005. I also then immediately informed the Speaker of the House and the majority leader of this issue.

The Secretary returned from meetings with his staff on June 30, bringing to us a number of $975 million. This House acted the very same day in which the Secretary made his request through the President of the United States approving to the penny the VA's request. Yet the number was not even dry on the paper when, in fact, days later we were then informed that number was really $1.275 billion, and they needed an additional $300 million.

The $300 million is for a carryover account which we in Congress permit the VA to utilize. So you will hear this number. What is really important is the $975 million number; and as a matter of fact, just last week the VA said they hold to the number. The additional $300 million is for the carryover account.

The Republican Senate leadership offered a number of $1.5 billion. Now the challenge we have is they passed a number on the Senate interior appropriations bill of emergency supplemental. The House passed a $975 million number that was paid for out of the 2005 budget. As Members go to the interior conference, we have a challenge. We have got moneys which were paid for, the Senate asks for emergency. Now I suppose we are asking for an instruction that is saying make it an emergency supplemental.

So what we are doing is rolling one on top of another. We have $975 million which was paid for out of the 2005 budget. Now we are going to vote for an instruction to the conferees on $1.5 billion on emergency supplemental. So these are issues that conferees are going to have to work out at conference.

But when we look at VHA's forecasting performance which has been the focus at some of our animated hearings in the House, 3 over the last several weeks, in April they provide notice to the Committee on Appropriations that they are going to reprogram $600 million. Then in the latter part of June when we hold our hearing, they testify they are short $975 million, but they have ''work-around solutions.''

Then a few days later while we are on our July break, we learn that the number was short $300 million. They are going to spend down the $975, and the $300 million is the carryover account. We either take care of that in 2005, or we have to include it in the 2006 budget amendment.

If Members watch this, we go from $600 million to $975 million to $1.275 billion. What is it going to be in August? I think that is what the gentleman from Wisconsin (Mr. OBEY) and the gentleman from New York (Mr. WALSH) are indicating. So that is why I am going to support the motion to instruct, because there is a loss of confidence here in the House with regard to the number that has been given to us. Patience with the VHA bureaucracy has run out.

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

Mr. BUYER. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Speaker, I appreciate the gentleman's efforts and he is sincere in everything he says.

Has the committee held any hearings on why they are having all of these financial difficulties? What is driving this increase?

Mr. BUYER. We have. We have held three hearings. Part of the reason dealt with their modeling and their forecasting. For the 2005 budget, they used 2002 data, and they also had false assumptions. So we have informed them that they have every opportunity to get right the 2007 budget because now they tell us about the use of old data and poor measuring criteria. So they have every reason now to get it right. So what are they changing with regard to their assumptions and how are they improving the data with regard to the 2007, because that is what they are doing right now.

So what has occurred is we get the 2005 right. They come with a 2006 budget amendment. We just held a hearing on the 2006 budget amendment, which is just under $2 billion; and then we told them that we are going to do some handholding as they prepare the 2007 budget.

Mr. DICKS. Mr. Speaker, if the gentleman will continue to yield, are you able to get OMB to cooperate, because sometimes the agencies try their best to do the right thing, but then they are told by OMB they cannot do that because we are trying to fight the deficit. Is OMB being helpful here or not?

Mr. BUYER. Mr. Speaker, I would say everyone wants the modeling to be correct and for us to reestablish trust and confidence on our predictability of a budget number. When we do that, we bring purity to the process and OMB also brings trust and confidence. I think there is lack of trust and confidence under the budget number, and OMB has proven they are not as good of a caretaker here as they think they are. We will work cooperatively with OMB because they also are part of this process of the pain.

Mr. DICKS. Mr. Speaker, I thank the gentleman for that explanation.

Mr. BUYER. Mr. Speaker, the issue is accountability. The gentleman from New York (Mr. WALSH) touched on it and so did the gentleman from Tennessee (Mr. WAMP). The credibility must be rebuilt, and OMB is integral to this process.

I have asked Secretary Nicholson to review the leadership of the VHA bureaucracy to ensure that the right people are running it, and also its finances and some within the health network.

In particular, I am greatly disappointed and have lost confidence in the leadership and management of the Deputy Under Secretary for Health, for Operations and for Management. In the meantime, Congress will ensure that veterans health care is funded. We will hold VA accountable for its use of these dollars in the performance of its mission.

Over the recess, other Committee on Veterans' Affairs members, staff, and I will personally visit VA health care facilities because there is no substitute for boots-on-the-ground examination.

□ 1245

I will specifically visit a polytrauma center in Minneapolis.

One of the harshest realities of combat in Iraq and Afghanistan is the number of servicemembers returning from Iraq and Afghanistan with loss of limbs and other severe and lasting injuries. With the body armor which we are providing to our soldiers, they can turn that up, and what is happening is it protects the torso, and they are having now loss of limbs and traumatic brain injuries.

VA has four regional traumatic brain injury rehabilitation centers. One of them is in Minneapolis, one is in Palo Alto, another one is in Richmond, and one is in Tampa. These are very important regional referral centers for individuals who have sustained these serious disabling conditions due to combat. VSOs and others are saying that these individual veterans are not being seen because of cuts in the VA. I find that challenging. I want to make sure these allegations are correct, so I am going to go on the ground to see if it is true.

I have also asked the GAO to review the VA's budget process, and I think that will be very important for some other eyes on this issue.

Mr. Speaker, America's veterans will receive the health care they have earned. $1.5 billion is a significant number for an important constituency, and I anticipate that we will act quickly to provide it. We can all see that only 2 months remain in the fiscal year. Unspent funds from this appropriation will be available for their use as down payments on the 2006 budget supplemental so that all funds will be put to good use.

I would like to thank the gentleman from Illinois (Mr. EVANS) for his work. I would like to thank the gentleman from Wisconsin (Mr. OBEY) for this motion. I also commend my colleagues in the Senate for their willingness to act quickly to Secretary Nicholson's request and to resolve this matter. I also want to thank the President, because when this was alerted to everyone's attention, the President acted and sent over a number. He also did the 2006 budget amendment.

In the end, those of us who exercise great care to raise and support the military know that our obligation does not end upon one's discharge. We care for the wounds and the injuries. We care for those who are left behind. We care for them to make as whole as possible and to create a climate so that one may take advantage of economic opportunities to live beyond a disability paycheck so that the defenders of liberty may also enjoy the bounties of the liberty for which they fight. I urge my colleagues to support the motion to instruct conferees in order to ensure that the veterans' funding can be done as quickly as possible.

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

Mr. OBEY. Mr. Speaker, let me conclude on this side by making four simple points. First of all, one of the previous speakers tried to suggest that, in fact, the gentleman from New Jersey (Mr. SMITH) had not been fired by the majority party caucus because he had been too willing to speak his own mind about the needs that he saw for veterans' health care. I would simply say that I am perfectly happy to believe that if the House is ready to believe that my grandmother is an astronaut and that the Cubs are going to win the pennant this year. The fact is that we know what the facts are, or were, I should say, with respect to the removal of the gentleman from New Jersey from office. He simply did not follow the party line and paid a price. So did the veterans. And now this bill is trying to help meet those costs.

Secondly, the gentleman from New York indicated that there had been a variety of estimates about what would be needed for veterans health care funding this year. The fact is that the Democratic estimates that we offered were consistent, and the bipartisan estimates that were offered by the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS) were consistently that we needed $2.5 billion in this account over the budget request. The House earlier enacted a $1 billion increase. This $1.5 billion in this motion now brings us to the $2.5 billion that we have been saying all along was needed and that the gentleman from New Jersey and the gentleman from Illinois were saying all along was needed.

Thirdly, I would simply say that the administration's denial of the truth on this matter follows a pattern. We saw earlier over the past year and a half when the Veterans' Administration was discouraging outreach, because if veterans knew what they were entitled to, it would cost more money, and that would impact the budget. So we have already seen that effort to not fully explain to the American veterans what they were entitled to. In that sense, it is very similar to the action of the administration in threatening to fire the government official who tried to tell Congress what the true cost of the prescription drugs under Medicare proposal was that the administration proposed last year.

Lastly, I would simply say one of the previous speakers raised the question as to why we were providing this money as an emergency. It is very simple: because it is an emergency for each and every veteran who otherwise will not be adequately served. We have a war going on. It would be nice if during that war we had a sense of shared sacrifice that was conveyed to each and every citizen of this country. But we really do not. We have a narrow band of people, those in the uniformed services of the United States, who are being asked to sacrifice virtually everything while 90 percent of American society is making no sacrifice about the war. They are getting tax cuts. They are able to be comfortable in their homes. It is only a precious few military families who are bearing the entire burden of that war.

It is human nature, I guess, for Americans, when our soldiers go off to war, to cheer and to have the bands playing, but it would be nice if we had that same enthusiasm for veterans when Johnny comes marching home again. Unfortunately, we have not demonstrated that because of the shortfalls that we have seen in the veterans' health care budget.

I would hope that we would adopt an understanding that if we ask someone to put his very life at risk, to put his family's future at risk and go to war to defend an action of the President of the United States, I would hope that we would recognize that we have a concurrent and permanent obligation to each and every one of those soldiers to meet the full cost of meeting their health care needs, their education needs, and their economic readjustment needs when they return to this country. That is the very least that we ought to do. This amendment tries to measure up to that standard. I would urge a unanimous ''yes'' vote.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of the Motion to Instruct Conferees to accept the Senate position to provide an additional $1.5 billion for Veteran's Medical care under H.R. 2361 the Interior Appropriations Bill. This motion to instruct will remedy the shortfall in veterans' health care for this year. Clearly, we have an obligation to our veterans that is not being met and can not go another day allowing this deficiency in Veteran's Medical care to continue.

The sad fact is that it has been 33 days since the Bush Administration acknowledged a $1 billion shortfall in Veteran's Medical care for FY 2005. Every day we see more and more veterans turned away and health care rationed across the country because the VA lacks the resources it needs to care for veterans. Every day we don't act, is another day that a veteran who bravely served our Nation is shortchanged.

To remedy this situation more than three weeks ago, the Senate unanimously passed a $1.5 billion bill. But the amount offered by House Republicans did not match that passed in the Senate, meaning money has not gotten to VA medical facilities and veterans will continue to wait in lines for health care. It has been nearly one month since this shortfall was first acknowledged, and yet Republicans continue to fail our veterans. Veterans and this Nation as a whole can not wait another day for this shortfall to be addressed; waiting any longer would be a travesty.

The truly sad facts demonstrate that the shortfall in veterans health care funding has resulted in some VA medical facilities no longer scheduling appointments for veterans, others not filling vacancies of medical and nursing staff, and others having to close operating rooms or not replacing basic medical equipment, such as hospital beds. Right now, there are more than 50,000 waiting in line for medical appointments, with more than 100,000 veterans from Iraq and Afghanistan seeking health care. But instead of remedying this situation as quickly as possible, Republicans continue to reject proposals that would give veterans the resources they so desperately need.

This spring, Democrats attempted to add $1.2 billion for veterans' health care on the $82 billion Iraqi supplemental. And last September, Democrats sought to provide a $2.5 billion increase over the Bush budget for veterans' health care. Over the last month, House Republicans have voted four times to block consideration of amendments offered by Democrats to add the needed funds for VA health care. It is time that we as a body unite to defend those brave Americans who risked their lives to defend our great nation. I urge all Members to support the Motion to Instruct.

Ms. BORDALLO. Mr. Speaker, I rise today in support of the gentleman from Wisconsin's (Mr. OBEY's) Motion to Instruct Conferees on Veterans Health Care on H.R. 2361, the Interior Appropriations Bill. Our servicemen and women are making daily sacrifices for our Nation in far off lands. Many will return home scarred by combat wounds, many others scarred by the face of war. Having completed their service to our Nation overseas, these servicemen and women have earned more then a debt of gratitude from their Nation but a debt of care. In order to do this, we must properly fund the organization dedicated to their care, the Veterans Administration.

I am pleased that the gentleman from Wisconsin, Mr. OBEY, has offered a motion to highlight the inadequacy of the House passed appropriations measures for our Veterans. This motion instructs conferees to accept the Senate position on Veterans' medical care by adding a desperately needed $1.5 billion to the Veterans Administration budget.

Guam recently welcomed home a company of the Guam Army National Guard following the unit's combat tour in Djibouti, Africa. Many other sons and daughters of Guam have served on active duty in units across the Armed Services. I have an obligation to do everything possible for these heroes in ensuring that Congress has made a commitment to their care equivalent to the commitment they made to the care of our Nation.

It is time for the rhetoric of supporting our Soldiers and our Veterans to be met by our actions. I urge my colleagues to support the motion to instruct.

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

The SPEAKER pro tempore (Mr. LINDER). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

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

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

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

The yeas and nays were ordered.

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

APPOINTMENT OF CONFEREES ON H.R. 2985, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2006

Mr. TAYLOR of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2985) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

Mr. OBEY. Mr. Speaker, I reserve the right to object.

Mr. Speaker, I express this reservation in order to take a couple of moments to again express my disquiet about this legislative appropriation bill. I had originally intended to offer a motion to instruct conferees, but in the interest of time and comity, I will not do that. But I, under my reservation, want to make a number of points about funding contained in this bill.

This bill contains another large amount of taxpayers' dollars to pay for what is euphemistically referred to as the Capitol Visitors Center now being constructed on this end of the Capitol. In my view, that project has become a story of spectacular mismanagement and colossal government waste, and I feel obligated, as often as I have the opportunity, to object to the way this project has been handled and to object to what it is going to produce.

The cost of the Capitol Visitors Center, which was first estimated at $95 million, has now ballooned to well over $500 million, and there is no end in sight to the escalation in cost.

My second objection is that, for this money, we are getting a pitiful allocation of space to the major needs of the Congress and an outrageous, wasteful allocation of space to areas that I think represent far lower-grade needs. The current design of that Capitol Visitors Center, the House space under that project, provides for approximately 87,000 square feet of space, of which only 3,200 square feet is for hearing rooms where public business can be conducted. The major need of this Congress, if we are going to expand the size of this building, is to have rooms that are sufficiently large so that we can have conferences with the Senate and do our legislative business. Instead, the primary usable space in the House portion of this project is for, in essence, a media center or a propaganda center. It is to make the Congress comfortable with television. So we are going to have this elaborate, two-floor, ornate, state-of-the-art media center, communication center, propaganda center, whatever you want to call it, but we will have tiny rooms for conference committees and very little additional usable space. In short, what I think we will have in the end is an opulent Taj Mahal, abundance of show space, but we will have a shortage of usable working space. I think that is regrettable given what the taxpayer is going to be asked to spend.

I would also say again that I find it incredible to hear the changing justifications for the new theater which is going to be in the visitors center. There is a huge 450-seat theater which is being built at a cost of many millions of dollars. When I asked why we need another room of that size, I was told, well, because it is a place where Members of Congress can bring large constituency groups. I do not know how many Members of Congress bring 450 people into a room in the Capitol, but if there is a Member who has ever tried to do that, I have never met him.

Secondly, we were then told, well, actually this will be good space for the House of Representatives to meet in when its existing House Chamber, the room that we are in now, is refurbished and reengineered and redecorated. The only problem with that, Mr. Speaker, is that we already have a room, the Ways and Means Committee room in the Longworth Building, which was built for that purpose, to serve as a backup House Chamber, and which was just redecorated at a cost of many, many dollars. It is beautiful. It ought to be sufficient. In addition to that, there is yet another Chamber being built for the House off-campus, which I cannot talk about because it is classified. So we are going to have two backup Chambers at a cost of an enormous amount.

□ 1300

And when we really dig into what this room is really supposed to be for, we discover that in the original budget justifications, what it was designated as, is being an additional theater for the Library of Congress.

So those are some of my objections to this bill, and I believe that this is the last chance that we have to get the leadership of this House and the Architect of the Capitol to at least change the way the space is being designed so that it is more usable, more efficient, and more useful to produce legislative products rather than propaganda press releases out of a media center.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mr. LEWIS of California, Mr. KINGSTON, Ms. GRANGER, and Messrs. DOOLITTLE, LAHOOD, OBEY, HOYER, and MORAN of Virginia.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, proceedings will resume on three motions to suspend the rules and on a motion to instruct conferees previously postponed.

Votes will be taken in the following order:

H.R. 3200, a motion to suspend, by the yeas and nays;

H.R. 3283, a motion to suspend, by the yeas and nays;

H.R. 2361, a motion to instruct, by the yeas and nays; and

H.R. 2977, a motion to suspend, by the yeas and nays.

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

SERVICEMEMBERS' GROUP LIFE INSURANCE ENHANCEMENT ACT OF 2005

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3200.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BUYER) that the House suspend the rules and pass the bill, H.R. 3200, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 424, nays 0, not voting 9, as follows:

[Roll No. 420]

YEAS—424

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—9

Castle
Cox
Cramer
DeLay
Feeney
Gibbons
Moran (VA)
Payne
Weldon (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1324

Mr. COSTELLO changed his vote from ''nay'' to ''yea.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

UNITED STATES TRADE RIGHTS ENFORCEMENT ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3283, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. THOMAS) that the House suspend the rules and pass the bill, H.R. 3283, as amended, 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 240, nays 186, not voting 7, as follows:

[Roll No. 421]

YEAS—240

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Barrow
Barton (TX)
Bass
Beauprez
Berry
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Crenshaw
Cubin
Cuellar
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
Engel
English (PA)
Etheridge
Everett
Ferguson
Fitzpatrick (PA)
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kind
King (IA)
King (NY)
Kingston
Kline
Knollenberg
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Pearce
Pence
Peterson (PA)

Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Towns
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—186

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Bartlett (MD)
Bean
Becerra
Berkley
Berman
Bishop (GA)
Bishop (NY)
Blumenauer
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Eshoo
Evans
Farr
Fattah
Filner
Flake
Ford
Frank (MA)
Gonzalez
Green, Al
Green, Gene
Grijalva
Gutierrez
Hastings (FL)
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kirk
Kolbe
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Slaughter
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—7

Cox
Cramer
Feeney
Gibbons
Payne
Peterson (MN)
Weldon (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LINDER) (during the vote). There are 2 minutes remaining in this vote.

□ 1334

So (two-thirds not having voted in favor thereof) the resolution was not agreed to.

The result of the vote was announced as above recorded.

MOTION TO INSTRUCT CONFEREES ON H.R. 2361, DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2006

THE SPEAKER pro tempore. The pending business is the question on the motion to instruct conferees on H.R. 2361.

The Clerk will designate the motion.

The Clerk designated the motion.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Wisconsin (Mr. OBEY), on which the yeas and nays were ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 426, nays 0, not voting 7, as follows:

[Roll No. 422]

YEAS—426

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—7

Cox
Cramer
Feeney
Gibbons
Payne
Stearns
Weldon (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in this vote.

□ 1342

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WELDON of Florida. Mr. Speaker, due to the launch of the Space Shuttle Discovery earlier today, I was unable to be present for several votes. Had I been present, I would ask that the official RECORD reflect that I would have voted in favor of the following bills: H.R. 2977—Paul Kasten Post Office Building Designation Act; H.R. 3200—Servicemembers' Group Life Insurance Enhancement Act of 2005; and H.R. 3283—United States Trade Rights Enforcement Act.

Also, I would have voted in favor of the Obey Motion to Instruct Conferees on H.R. 2361—Department of the Interior, Environment, and Related Agencies Appropriations Act for FY 2006.

PAUL KASTEN POST OFFICE BUILDING

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the resolution, H.R. 2977.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ISSA) that the House suspend the rules and agree to the resolution, H.R. 2977, 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 422, nays 0, not voting 11, as follows:

[Roll No. 423]

YEAS—422

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Obey
Olver
Ortiz
Osborne
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—11

Boehlert
Cox
Cramer
Dicks
Feeney
Gibbons
Gillmor
Oberstar
Payne
Sanders
Weldon (FL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1350

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 2361, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2006

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees on H.R. 2361: Messrs. TAYLOR of North Carolina, LEWIS of California, WAMP, PETERSON of Pennsylvania, SHERWOOD, ISTOOK, ADERHOLT, DOOLITTLE, SIMPSON, DICKS, OBEY, MORAN of Virginia, HINCHEY, OLVER, and MOLLOHAN.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 525, SMALL BUSINESS HEALTH FAIRNESS ACT OF 2005

Mr. BISHOP of Utah. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 379 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 379

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 525) 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. The bill shall be considered as read. The previous question shall be considered as ordered on the bill and on any amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce; (2) the amendment in the nature of a substitute printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Kind of Wisconsin or his designee, which shall be in order without intervention of any point of order, shall be

considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Utah (Mr. BISHOP) is recognized for 1 hour.

Mr. BISHOP of Utah. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from California (Ms. MATSUI), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

This resolution provides for a structured rule and provides for 1 hour of debate equally divided between the chairman and ranking minority member of Committee on Education and the Workforce, waives all points of order against consideration of the bill, and makes in order an amendment in the nature of a substitute offered by the minority. This is a good and a fair rule. It allows the House to focus the debate and the vote upon two different approaches aimed at helping America's small businesses to offer health coverage to its employees, and to debate and examine the proper role of the Federal Government in the health care arena.

Amendments not made in order were offered and discussed by the committee, so it is appropriate, I think, not to duplicate that committee action here on the floor.

H.R. 525 is the Small Business Health Fairness Act of 2005, sponsored by the distinguished gentleman from Texas (Mr. SAM JOHNSON), and is virtually identical to legislation passed in the 108th Congress, then H.R. 660, which passed this House by a 90-vote margin of 252 to 162. So I commend the subcommittee chairman, the gentleman from Texas (Mr. SAM JOHNSON); the chairman of the full committee, the gentleman from Ohio (Mr. BOEHNER), for once again moving this bill through the committee process.

Mr. Speaker, H.R. 525 is a modest bill. It does not seek to address every aspect of health care in America. It does not seek to mandate Federal control into every aspect of medical treatments. To the chagrin of some of my friends on both sides of the aisle, it does not move our country in the direction of government control and taxpayer-funded universal health care.

What it does do, and this is really the bottom line, is make health insurance more affordable to small business and thereby increase the total number of Americans and families that are insured.

H.R. 525, if enacted, will result in more Americans and more American families being covered by private health insurance, and that is a worthy goal that we should all be working to achieve.

Mr. Speaker, I would like to point out that large corporations and unions already enjoy, many through ERISA, the same insurance-risk pooling features and already enjoy the cost efficiencies built into this health coverage package for their workers and their members. This bill, therefore, is about achieving a measure of fairness towards small business, an effort for the mom and pop businesses and industries to be treated the same way as giant corporations and union organizations.

The small guy will have nothing the large guy does not already have, with specific regulations placed in the bill to ensure against unfair pooling practices. It has bipartisan support from a wide range of groups, from the U.S. Chamber of Commerce, the National Federation of American Business, the American Farming Bureau, Associated Builders and Contractors, the Latino Coalition, the National Black Chamber of Commerce, the National Association of Women Business Owners and the National Restaurant Association, as well as many others.

In the course of this debate, Mr. Speaker, there will be many who will be giving facts and figures. I do not wish to go into those right now. But I wish to make sure that this is part of a larger picture.

As politicians, we oftentimes talk about the Nation or issues being at a crossroads. We do that a lot because it is a very dramatic phrase, and it makes us seem more important because we are in the middle of it. But I do believe in the issue of health care and insurance we are as a Nation in the crossroads. We can take one direction which would be to have greater government control, especially on the Federal level which ultimately would lead to a single-payer Federal program where decisions, right or wrong, would be made here.

Indeed, I think the substitute that will be ordered is illustrative not in topic but in spirit of this, where there is greater government control, greater regulations being put in there so that one wonders if the issue is really health insurance or if the issue is control.

The other approach that we are in the crossroads of and could take would be an approach to try and add market forces into the system to try and move some type of reforms along the way. This bill is not a panacea for all of our health care issues; but it is a step for certain groups who are currently excluded, often by well-intended decisions of the government.

I clearly understand both sides of these particular issues. I was a State legislator who did both while I was down there. There were requirements in health care which I thought were good at the time, which I also knew were costly at the time; and I also realize in hindsight, in helping one group of very vulnerable people, we actually hurt a different group of very vulnerable people.

For example, in my State, family health care is covered for everyone until the age of 25. When I joined this august body, all of the sudden the limitation was now at age 22, not 25; and I immediately realized I had three sons who had no health insurance whatsoever. I still have two sons who are out there in that risky group with no health insurance whatsoever.

I clearly realized from personal experience that all the mandates of coverage of health care systems are useless to those who cannot get or cannot afford insurance in the first place.

My oldest son finally got a job with a large corporation. I was very relieved that now he has insurance until a couple of weeks ago when he came and talked to me about joining a friend in an entrepreneurial enterprise, in which case they would start their own business. I should have been excited about his attitude; but the first question out of my mouth was, Well, what about your insurance?

We make decisions here that have far-reaching effects in creating a society of limitations instead of visions as they should be. With all sorts of good intentions, government also has helped create people whose options are shut to them when all they want really is hope and the freedom to choose some kind of options. Sometimes it is a matter of control of those options, which is frightening for any government level to try and give up.

This bill does not try to create mandatory efforts. It tries to create options. It tries to create options from which people can choose. People who are not now covered have a chance to be covered in some way with insurance. Regardless of how one votes on this issue in the past or in the future, this is a fair rule. With that, I urge my colleagues to support this rule.

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

Ms. MATSUI. Mr. Speaker, I thank the gentleman from Utah (Mr. BISHOP) for yielding me this time, and I yield myself such time as I may consume.

(Ms. MATSUI asked and was given permission to revise and extend her remarks.)

□ 1400

Ms. MATSUI. Mr. Speaker, today I rise in opposition to this rule and the underlying measure of H.R. 525. This country leads in medicine and technology. When combined with increased education and awareness, we have made diseases more preventable and treatable. We have made huge strides, for example, diagnosing and treating breast cancer. Women are now going in for annual mammograms. In and of itself, mammograms do not prevent breast cancer, but they can save lives by finding breast cancer as early as possible.

For example, mammograms have been shown to lower the chance of dying from breast cancer by 35 percent in women over the age of 50. And studies suggest for women between 40 and 50, they may lower the chance of dying of breast cancer by 25 to 35 percent.

Having worked on educational campaigns for over a decade, I know that it has not been easy to convince women that they should be asking their doctor for a mammogram, nor, I might add, has it been easy to ensure that health insurance companies cover the cost of these mammograms. But through the tireless efforts of doctors, survivors, and advocates, the insurance companies relented.

Today we are increasingly catching and treating breast cancer in the early stages, yet the legislation we are debating here on the floor today would effectively roll back these advances, and, even worse, doctors would now have to tell the 28-year-old woman who thinks she has found a lump in her breast that her health care insurance does not cover a mammogram to better see the abnormality; that her health care coverage is no longer subject to minimum standards established by her State because she is covered by an associated health plan, an AHP, which is located in a different State with far more relaxed laws on health care coverage.

Too many Americans are already without sufficient health care coverage. They are being forced to accept health care that does not provide what they need when they fall ill, whether it is breast cancer exams, diabetes medication, or childhood vaccinations. Why would we increase the number of these individuals without adequate health care coverage?

Some may claim that these standards for health care treatments, like those that require insurance companies to cover mammograms, are nothing but burdensome regulations, but these safeguards go to the heart of what responsible health care is all about: providing necessary care to those in need. And AHPs would not even reduce the cost of the premiums. Under the legislation we debate today, AHPs could skim off a small minority of small businesses, those with younger and healthier workforces. As a direct result, 80 percent of small businesses would see an increase in their health care premiums.

Mr. Speaker, I truly question what we are doing today. Why would we create a situation that increases the already skyrocketing health care costs for four out of five small businesses? Sadly, this is what we are doing. We are putting our small businesses in the awkward position of not being able to offer health care coverage to that young woman facing the possibility of breast cancer, or offering access to a health care plan that will not cover her diagnosis and certainly not a treatment.

We could do better by that young woman and our Nation's small business owners. Congress could pass the Democratic substitute offered by the gentleman from Wisconsin (Mr. KIND) and the gentleman from New Jersey (Mr. ANDREWS), which would allow small business employees to access the same quality health care coverage which Federal employees enjoy. The substitute's Federal partnership would allow this plan to be offered at an affordable price. This alternative would truly have a positive impact, ensuring that Americans have access to affordable and quality health care. I urge my colleagues to support it.

Unfortunately, the legislation we debate on the floor, H.R. 525, which would create AHPs will most likely worsen health care situations. Mr. Speaker, if we, Members of Congress, would not accept a health plan that does not include minimum coverage, why then should the American people?

We have an opportunity today. We can support the Democratic alternative and pass legislation that actually addresses the critical health care problems facing small business owners, or we can pass the legislation in front of us that does the opposite. It should not be a difficult decision. Mr. Speaker, I urge all Members to votes against the rule and the underlying bill.

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

Mr. BISHOP of Utah. Mr. Speaker, I yield 2 minutes to the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Speaker, I thank my friend and colleague on the Committee on Rules, the gentleman from Utah (Mr. BISHOP), for yielding me this time; and I rise today in support of the rule and the underlying legislation, the Small Business Health Fairness Act.

Mr. Speaker, a trip to the doctor should not bust the family budget. Too many of America's small business employees go without health insurance or pay a big chunk of their paycheck for health care. This House has acted on four separate occasions in a bipartisan way to pass reforms that will allow small business owners to provide their employees with affordable health insurance options, yet our efforts to help reduce the ranks of the uninsured has not gone forward.

This crucial legislation allows small business owners to have similar purchasing power for health insurance as large corporations. The creation of association health plans will permit small business owners to band together through a trade association or other method to purchase health insurance for them and their employees. The ability to provide health insurance is critical for our small businesses to remain competitive.

Mr. Speaker, workers are frustrated with paying the high cost of health care. Congress needs to finish this job and pass association health plans into law. I urge my colleagues to support the rule and the underlying legislation.

Ms. MATSUI. Mr. Speaker, I yield 2½ minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Speaker, I want to thank the gentlewoman for yielding me this time and for her leadership and consistent work on behalf of the American people regardless of what issue and what bills we are dealing with today. I want to say that I join her today in opposition to this rule and to the underlying bill. It is fundamentally flawed not only for what it does, but for what it fails to do.

Mr. Speaker, if this bill were made law, we would still have well over 44 million people in our country uninsured. Something is wrong. Something is fundamentally wrong where in the wealthiest Nation in the world we have 44 million uninsured. Where, quite frankly, is the morality in that? Under this bill, of the 45 million uninsured Americans in this country, only 600,000 people would move into coverage, while 10,000 workers with coverage would be pushed off of their current plans.

Not only does this bill fail to provide any significant coverage for the uninsured, it also puts women and girls at risk by preempting very strong State laws. Specifically, the bill overrides contraceptive protections in 21 States that currently ensure access to contraceptives and treatments for sexually transmitted diseases. Clearly, Mr. Speaker, this bill puts women and girls at risk and makes empty promises to millions of uninsured Americans in desperate need of health care.

Instead of considering this bill, we should be debating the real question: How do we begin to put people before profits in our own health care system? Millions of Americans are calling on Congress to address this question by debating and voting on meaningful proposals, like universal health care, reimportation of prescription drugs, and allowing HHS to negotiate drug prices for Medicare recipients. It is time for Congress to wake up and take a hard look at our broken health care system. It is time for us to make a real effort at reform.

Mr. Speaker, H.R. 525 does nothing to expand health care to those who need it the most, and it undermines vital protections for women and girls. As a former small business owner, I know from years of experience the difficulties small businesses face due to a lack of consistent cash flow to afford these payments. Profitability for small businesses to afford health care contributions should really be addressed, and that is what we should be talking about today.

What this bill should do is assist small employers or employees in affording premium payments. I am sure that is why 69 local Chambers of Commerce, the National Governors Association, 41 attorneys general, Blue Cross/Blue Shield, and over 1,300 business, labor and community organizations oppose H.R. 525. This bill is bad for the health of our country.

Mr. BISHOP of Utah. Mr. Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, uninsured working families are looking to

Congress for answers to help give them access to quality health care, and before us today is a bipartisan bill that should give them hope.

The economic picture remains bright, and more Americans are finding work every day. Earlier this month, the Department of Labor reported that 3.7 million new jobs have been created since May of 2003, marking 25 consecutive months of positive job growth for the U.S. economy. Unfortunately, there are still millions of working families without health insurance. They need access to quality health care, and they are asking for our help. The bill we will consider on the floor later today responds directly to their needs.

It is simply unacceptable that more than 45 million Americans lack health insurance today. Studies indicate that 60 percent of these uninsured Americans 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. That is the crux of the problem. More Americans are finding new jobs, but many small businesses cannot afford to offer health insurance because of rising premium costs.

Our primary goal here in Congress, Mr. Speaker, should be creating affordable options to help the uninsured. With health care costs continuing to rise sharply across the country, more and more employers and their employees are sharing the burden of increased premiums. Employer-based health insurance premiums rose by 11 percent last year, following a 15 percent increase in 2003. As costs escalate, the ranks of the uninsured could continue to increase as well.

The Small Business Health Fairness Act before us represents a bipartisan solution to this problem. By creating association health plans, the bill gives small businesses the opportunity to band together through bona fide trade associations and purchase quality health insurance for their workers at a lower cost. In the last year, we have seen how large corporations are now starting to band together to provide health care to their part-time workers. Small businesses and their workers deserve the same opportunities.

This bipartisan bill would increase small businesses' bargaining power with health care providers, giving them freedom from costly State-mandated benefit packages and lowering their overhead costs by as much as 30 percent, which are benefits many large corporations and unions already enjoy. By pooling their resources and increasing their bargaining power, association health plans will reduce the cost of health insurance for employers and allow more small businesses to provide health care to their workers.

Last year, the House passed this measure on a bipartisan basis with the support of 37 of my colleagues on the other side of the aisle. Unfortunately, the other body has yet to act on this bill. But there remains hope. Senator ENZI, who chairs the Senate Committee on Health, Education, Labor, and Pensions, has expressed a strong interest in working on this proposal, and I am more optimistic than ever that the Senate will address this problem.

This measure is supported by President Bush, the Labor Department, Republicans and Democrats, and, moreover, a poll conducted last year reveals that 93 percent of Americans support AHPs as an option for providing affordable health care for American workers. Small businesses deserve the chance to obtain high-quality health insurance at an affordable price for their workers, and AHPs are a prescription for helping the uninsured.

Mr. Speaker, I think the rule before us today is a fair rule, and I urge my colleagues to support it.

Ms. MATSUI. Mr. Speaker, I yield myself such time as I may consume to comment that only 1 out of every 14 people enrolled in an AHP will be newly insured. Overwhelmingly, this is a bill that shifts the already insured into plans with lower coverage.

Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY. Mr. Speaker, I oppose this rule and the underlying bill because it will result in preempting State laws and in a reduction in health care. AHPs would be exempt from having to provide certain critical services, preempting State laws which require coverage.

Mr. Speaker, this Nation spends millions and millions of dollars on cancer treatments. We also spend millions of dollars just on research and development. This bill would take away a tool that is used to save lives.

□ 1415

The gentlewoman from California (Ms. WOOLSEY) and I offered an amendment to this legislation both in committee and again last night in the Committee on Rules. The amendment would have prohibited employers from joining AHPs if it would mean a reduction in coverage for breast and cervical cancer services. Unfortunately, the amendment was not accepted.

Almost every State has recognized the need to cut health care costs and still provide quality services to their citizens. The States know that without guaranteeing these services, patients will not receive the health care they need. Members have to remember the attorneys general fought in their States to make sure that women would have this care. Why did they fight for it? Because the insurance companies would not offer it.

According to the American Cancer Society, over 211,000 new cases of breast cancer will be diagnosed in the United States in this year alone. In New York State, there will be 14,000 new cases of breast cancer diagnosed this year alone. Breast cancer is a potentially fatal, but very treatable, disease. However, early detection is the key to proper treatment. Mammogram screenings are essential for the early detection of breast cancer. Timely screening can prevent 15 to 30 percent of all deaths from breast cancer among women over 40 years old.

Currently, New York and 48 other States require insurance companies to cover mammogram screenings. The U.S. Department of Health and Human Services has stated that mammograms save women's lives. Former Secretary Tommy Thompson stated, ''The Federal Government makes a clear recommendation for women over 40 to have mammograms, get screened for breast cancer with mammograms every 1 to 2 years. The early detection of breast cancer can save lives.''

Preventive screening for cervical cancer is also vital for women's health. Over 10,000 new cases of cervical cancer will be diagnosed this year, and nearly 1,000 of those cases are residing in my home State of New York. Nearly 4,000 women will die in 2005 from cervical cancer.

Preserving the coverage of mammograms and cervical screenings will help save the lives of our wives, mothers and daughters, and also keep down the cost of health care in this country. I know many of my colleagues on both sides of the aisle have supported similar measures while in their home States as legislators. They have shown commitment to their home State, and now it is time to show commitment to the Nation.

As a nurse, I know first hand the importance of early detection. I have seen the hardships cancer patients endure. Since I have been here, I have done outreach within my district to get women in for their cervical exams and women over 40 in to get their mammograms. This is very important, and we should not miss this opportunity to save lives. For this reason, I oppose the rule and the underlying bill.

Mr. BISHOP of Utah. Mr. Speaker, I yield 1½ minutes to the gentleman from Nebraska (Mr. OSBORNE).

Mr. OSBORNE. Mr. Speaker, I appreciate this opportunity to speak on behalf of the rule and the underlying legislation.

Mr. Speaker, I would like to just mention a personal story. I have a son-in-law who manages 150 stores. They are part of a franchise and are spread across 40 different States. If they have to purchase health care store by store, it is prohibitively expensive. Their costs are going up 10 to 20 percent a year. One of the previous speakers said it may not add a whole lot of people, but what is happening is we are losing more and more people out of health care plans each year because small businesses simply cannot afford it.

If they can band together, those 150 stores, and pool their resources and have 500 employees in a pool, they have a chance to keep their health care. I think it is critical.

Mr. Speaker, 60 percent of all Americans work for small businesses, and this is key to this legislation. Small businesses are particularly important to rural areas like Nebraska. The measure would do three things: one, increase small business' bargaining power with health care providers; number two, give them freedom from costly state-mandated benefit packages. In many cases, the State regulations simply stifle the health care packages. And, number three, lower their overhead cost by as much as 30 percent.

Republicans and Democrats alike have joined together in each of the last two Congresses to pass this legislation. I urge support of the underlying rule and the bill.

Ms. MATSUI. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Speaker, I rise in opposition to the rule even though it has made in order a substitute that the gentleman from New Jersey (Mr. ANDREWS) and I will be offering.

The reason I rise in opposition is because this is such an important issue that we really should have an open and fair and reasonable debate on the floor of the House of Representatives. Eight of the Democratic amendments offered last night were effectively blocked. Instead, we have a closed rule that will allow some time for general debate on the AHP underlying bill, an hour on the substitute, and that is it.

I think we can all stipulate that when we go home, this is clearly the overriding issue we hear from our constituents: the rising cost of health care and the inability, especially in small businesses, to be able to afford and access quality health care which is crucial to a growing and vibrant economy.

There is a reason why we are here year after year debating the same issue, and that is because the underlying bill is bad policy. It is recognized as bad policy by over 1,400 organizations nationwide that have come out and publicly opposed it, including the National Governors Association, both the Democratic and the Republican Governors associations; including 41 of the States attorneys general; the National Association of Insurance Commissioners; the National Conference of State Legislatures, all of whom recognize this does not make sense, it is bad policy and we should offer something more than just a broken promise or false hope to small businesses and their employees hoping to obtain coverage.

There should be an unwritten rule when we are debating any type of health care policy changes, and that is following the Hippocratic Oath that our doctors and health care providers follow: first, do no harm.

Unfortunately, the AHP bill before us today does plenty of harm. And, again, it has been recognized by independent studies both within the congressional body and outside. In fact, a recent Mercer Study indicates that adoption of this AHP legislation could raise the ranks of the uninsured by over 1 million people. You would think that alone would be enough for a ''no'' vote on this underlying bill. Any policy that is going to increase the number of uninsured, which is roughly between 45 and 48 million today, is something that we should resist.

It also shows that those who do not join AHPs and are not part of an association, who have health coverage for their employees, the premiums are going to increase for those people by 23 percent. This is consistent with what the Congressional Budget Office has shown in their study that shows that adoption of this bill would leave 20 million of the workers with higher premium payments overall.

Also, recently there was a study out of Georgetown University that shows that adoption of this bill, and again it is consistent with past GAO studies, would increase the likelihood of greater fraud and abuse within the associated health plan system. The GAO in a study showed that there are 144 illegal AHPs operating affecting every State in the Union with unpaid claims affecting over 200,000 workers today.

The underlying bill is going to take oversight and accountability away from the States where it has traditionally resided with oversight powers and audit responsibilities, put it in the Department of Labor with insufficient resources and no accountability and no oversight at all. Because of that, the State attorneys general in a letter stated: ''The elimination of the State role and replacement with weak Federal oversight is a bad deal for small businesses and consumers.''

Finally, as the gentlewoman from New York (Mrs. MCCARTHY) has indicated, it does preempt consumer protection which has been traditionally guaranteed by the States if they found that necessary.

So there are a lot of reasons why the underlying bill before us today is bad policy. That is one of the reasons it has had a difficult time moving through the Senate. We are going to have a substitute offered that the gentleman from New Jersey (Mr. ANDREWS) and I and others who support think is a viable and reasonable approach to deal with the growing health care crisis that so many of our small businesses and their employees are facing. It is a bill that does allow the purchasing pool concept to go forward, but it is modeled after what Federal employees currently have under their health care plan. And it also does not preempt State law.

Mr. Speaker, I ask my colleagues to defeat the rule so we have an honest debate and support the substitute and vote ''no'' on the underlying bill.

Mr. BISHOP of Utah. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. KELLER), a member of the committee who has gone through this discussion many times.

Mr. KELLER. Mr. Speaker, I support the rule, and I support H.R. 525. The number one problem facing small businesses today is the skyrocketing cost of health insurance. Association health plans are a big part of the solution.

I met with many small business people in my hometown of Orlando, Florida, and they told me they need association health plans. I agree with them, and here is why: of the 45 million Americans without health insurance, 60 percent are small business employees and their families. They do not have health insurance because their small business employers cannot afford it.

If we would allow these small businesses to join together, they could have the same bargaining power as large Fortune 500 corporations, which could lower their health insurance premiums by up to 30 percent. Association health plans will increase access to health care for millions of Americans now without insurance.

It certainly is an issue that is personal to me. I had the happy privilege of flying down to Orlando, Florida, with President Bush on Air Force One on March 18 of this year. He asked me what, if anything, he could do to help small businesses in my area. I told him what the small businesses told me: the number one thing they want is association health plans, and he pledged to support it and use his bully pulpit to help it get through the Senate.

I also authored a Small Business Bill of Rights that passed this House back in April. It called for the passage of association health plans, fixing the death tax, and cracking down on frivolous lawsuits. This House is on record as supporting that. It is time for us to take the lead today and help small business people provide health insurance to their employees. Vote ''yes'' on the rule and vote ''yes'' on H.R. 525. I urge my colleagues to do these things.

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

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

Mrs. BLACKBURN. Mr. Speaker, increasingly, one of the things I hear from small business owners back in Tennessee is they want Congress to open the way, just to open the way and set the stage for more affordable health care choices.

Over 90 percent of the jobs in Tennessee are small business jobs. It is the largest employer in my district.

Mr. Speaker, one of the things that we hear is that these employers want to do the best they can for their employees. They feel like they are a part of their family. The gentleman from Texas (Mr. SAM JOHNSON) really should be applauded for introducing the Small Business Health Fairness Act of 2005. It is one of those things that will help small businesses, as we have heard from so many of the speakers, to pool together and to purchase association health plans through their national trade groups.

I have joined him as a co-sponsor of the legislation, and I believe we do

have that opportunity to extend affordable, quality health care to millions of Americans. Every small business owner knows that providing quality health care is one of the most costly items in running a business. It is a very difficult part, handling the mountains of paperwork and finding the right policies. We have the power to help by passing this commonsense legislation. I ask my colleagues to support the rule and to support the underlying legislation.

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

Mr. BISHOP of Utah. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, today I rise in strong support of the rule for H.R. 525, the Small Business Health Fairness Act of 2005, offered by the gentleman from Texas (Mr. SAM JOHNSON).

Mr. Speaker, if we do not act soon, America will face a health care crisis. Health care costs are skyrocketing. We all know it; and, unfortunately, so do the ranks of America's uninsured. As usual, government is part of the problem. More freedom and more competition is part of the solution.

With nearly half of the 45 million uninsured Americans employed by small businesses, or dependent upon someone who is, H.R. 525 will help more Americans get access to the affordable health insurance they need.

□ 1430

H.R. 525 would allow the creation of association health plans to help alleviate the enormous health care burden on America's small businesses. They will empower small businesses to join together to bargain with insurance carriers to get health care coverage for their workers at an affordable cost. No affordable cost, no insurance. Under current law, large employers that self-insure are exempt from State mandates while small businesses are not. This increases the cost of health insurance up to 13 percent and bars up to one-quarter of the uninsured from acquiring health care.

Mr. Speaker, that is not right. Small businesses and their employees should have the same right to quality health care insurance that large corporations and unions already enjoy. The Congressional Budget Office estimates that association health plans could actually reduce premiums for small businesses up to 25 percent. That could mean an average savings of $1,000 to $2,000 for the average family health plan offered by a small business. That means more people covered, more lives saved.

I urge all my colleagues to support the rule for H.R. 525 and the underlying legislation. With association health plans, we can dramatically reduce the number of uninsured Americans while increasing health care access, affordability, and choice.

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

Mr. BISHOP of Utah. Mr. Speaker, I yield myself such time as I may consume.

I must admit that much of the opposition gloom-and-doom predictions are based on assumptions of what people and companies will choose to do and, therefore, the government should make those mandates. I am pleased that this particular piece of legislation is based on the assumption that people have the ability to make good choices for themselves without the assistance of the heavy hand of government.

Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON), the sponsor of this bill.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I am pleased to be here today to support the rule to govern H.R. 525, the Small Business Health Fairness Act of 2005. As costs continue to escalate annually at unprecedented rates, our employers are being forced to drop health care coverage, or not be able to afford it at all. Our small businesses share a large part of that burden because they are forced to shop for health insurance in the costly small group market. Large employers bring bargaining clout to the table when they work with insurance companies. Small businesses have fewer employees and thus have little or no bargaining power. Not only that, but large employers and unions are exempt from burdensome State mandates. These mandates dictate what health plans must cover and which vary from State to State. Small employers do not have that luxury.

We know that more than 60 percent of the over-40 million uninsured Americans either work for a small business or are dependent upon someone who does. The clear course of action here is to help our small businesses afford health coverage by giving them the same opportunity.

Association health plans, or AHPs, do just that. Small businesses would be able to group together in bona fide trade associations. AHPs would then be able to use economies of scale to their advantage and provide more affordable health care for working families while avoiding the administrative cost of State mandates. AHPs are expected to save small business owners and their employees as much as 30 percent on their health insurance.

This bipartisan bill makes sense. The time to act is now. I urge a ''yes'' vote on this rule.

Ms. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Mr. Speaker, I thank my friend from California for yielding me this time.

I hear the phrase ''burdensome State mandates.'' A woman has a C section and gets to stay in the hospital for at least 48 hours. A woman has the right under a health insurance policy to get a mammogram paid for by the insurance company every year. A diabetic has the right to get insulin provided and other blood care paid for by their insurance company. These are the burdensome mandates that we hear talked about on the floor. One of my other friends talked about the heavy hand of government. That heavy hand of government in this case is evidently shared by Republican Governors around the country, because the National Governors Association opposes this bill. Republican and Democratic Governors have looked at this bill and said laws that they have passed that many of our friends on the majority side voted for in State legislatures around the country, laws that protect C sections, mammograms, diabetic care, substance abuse care, mental health care, these laws should not be repealed and thrown aside by the heavy hand of government at the Federal level. That is what this is really about.

Amendments that would have addressed these issues, that would have let us discuss these issues on this floor, were prohibited by the rule that we are debating right now. I would suspect that maybe one of the reasons they were prohibited is because Republican attorneys general and Republican Governors around the country would have supported such amendments because they oppose the good work that is undone by this bill. Members should oppose this rule and eventually, after debate, oppose the underlying bill.

Mr. BISHOP of Utah. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today in strong support of H. Res. 379 and the underlying bill, H.R. 525, the Small Business Health Fairness Act of 2005. My good friend, the gentleman from New Jersey, just spoke about some mandates regarding OB care and, of course, there are mandates that have been passed in the several States, all 50, in fact, that are very compassionate sounding. The gentleman from New Jersey is right. Many of us have, as former members of State legislatures, voted for mandates.

I am one of them. In fact, in the State of Georgia, there was a mandate, because of managed care intrusion and the requirement that everybody go through a gatekeeper and not to a specialist, that women in the State of Georgia, if any health insurance policy was written, they would have direct access to their OB–GYN. Certainly, as an OB–GYN specialist, I liked that mandate. In fact, I think I voted for that one. But shortly after that along came the dermatologists and they wanted direct access to everybody who had an itch, to have to be able to go, demand to be seen by a specialist, a dermatologist, rather than their family practitioner.

I want to tell you about a couple of other mandates in the State of Georgia. There was one to require that every woman would have the right to

have a blood test to be screened for ovarian cancer. It is called CEA–125. Any cancer specialist would tell you that that screening test for ovarian cancer is absolutely worthless. A better mandate would have been to say that anybody over age 30, any woman, could have an ultrasound done every 6 months to look at the ovaries, but that would be astronomically expensive. Another mandate in the State of Georgia says that every baby born in a hospital in the State of Georgia has to be screened for sickle cell anemia, even when they are a part of an ethnic group where the percentage of sickle cell anemia is zero. Nada. These mandates just go and on, and you have got them in all 50 States.

Clearly, we need to do something about that because they are driving up the cost of health care. We need to give people the opportunity to join their other employees in trade associations.

This is a good bill. It will reduce the rolls of the uninsured by 8 million people. I commend it to my colleagues on both sides of the aisle. I urge you to support this rule and pass the Sam Johnson legislation. It is a good bill. It will get people the protection they need and provide health care for so many who do not have it.

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

Earlier this month, the Los Angeles Times ran a story that I think cuts to the heart of this discussion. It is the story of a husband and wife living in Southern California. After successfully battling bone cancer 7 years earlier, Doug did what so many Americans would like to do. He started a small business making boat parts. Soon, he was approached by an AHP offering a $400-a-month health insurance policy which even included special cancer coverage.

Tragically, a few months after he purchased the policy, his cancer returned and it became quite clear that the quality of that association plan was not what Doug or his wife, Dana, expected. It turned out that this particular plan covered less than 18 percent of Doug's $550,000 treatment cost. Doug and Dana rapidly found themselves buried under hundreds of thousands of dollars in bills. And as his wife recounted to the Los Angeles Times, at several points before the cancer ultimately claimed his life, Doug begged her to divorce him so that she would not be responsible for his debt.

I cannot believe this is the solution we are offering to small business owners like Doug and Dana. The American people deserve better.

Mr. Speaker, this bill offers no health care solutions for small business owners. It raises premiums on 80 percent of small businesses; will increase the number of uninsured by 1 million people; and reduce coverage for another 7 million individuals who are most in need of care. My friends on the other side might find these facts inconvenient, but that does not make them less true. And it will accomplish all of this by loosening or removing consumer protections and by walking away from State mandates that guarantee treatment for diabetes and screenings for breast cancer.

We can do much, much better than this for America, Mr. Speaker. I urge Members to oppose the rule, oppose the underlying bill, and support the Kind-Andrews substitute.

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

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

I appreciate those who have spoken on the bill today. I appreciate the gentleman from Georgia (Mr. GINGREY), a member of the medical profession, who so eloquently talked about some of the realities of this particular bill and what we are looking at. And I appreciate the gentlewoman from California and her wonderful and kind way in which she handled the rule on the minority side.

Just as a means of criteria of what we are going through as far as the rule itself, every amendment that was proposed for this particular rule was discussed thoroughly and voted upon in the committee, with the exception of obviously the motion to recommit. With the debate we have had in previous years, every element of this bill has been thoroughly debated both on the floor and in committee, this year as well as in years past.

I have to admit, Mr. Speaker, my favorite Senator, even though I am not supposed to have one, is the junior Senator from Kentucky who is the only one to have won 100 games in both the American and the National League. Because of that, I have his baseball cards. I hope he does very well over there because if they continue to rise in value, that may be the only way I pay for my health care in the future.

I was reading on the airplane coming back yesterday of a story of Senator BUNNING when he was a pitcher for the Detroit Tigers and he was facing the Yankees. The Yankees sent out Bob Turley to be the first base coach because he was great at picking off signals. Sure enough, he knew what the signals were. His signal would be every time a fastball was coming, he would whistle at the batter. Hank Bauer is the first batter up there. Fastball, he whistled, Bauer hit a screamer into left field. The second batter is Tony Kubek. Fastball, whistle, he hit what would have been extra bases into right field except the second baseman caught the ball in self-defense.

The third hitter up is Mickey Mantle. By this time the pitcher is upset with what is going on and takes a couple of steps to Turley and says, ''Next time you whistle, I'm going to drill the batter.'' He takes a couple of steps to the batter and tells him the same thing. Sure enough, a fastball, the whistle, Mantle does not swing. The next pitch is a slider which hits Mantle right in the legs. He is upset, takes a couple of steps towards the mound, but the catcher and the umpire direct him to first base.

The next batter up is Yogi Berra. Once again, fastball, the whistle comes, Yogi does not take it, but then remembering what happened, he steps out of the batter's box, cups his hands and yells back at Senator BUNNING who is the pitcher at this time and says, ''He may be whistling, but I ain't listening.''

Mr. Speaker, there are a lot of people who have been whistling at us on this particular issue. Every time I go to a town hall meeting, I face people who want some kind of relief in the ability of getting insurance. I get letters from them all the time. When small businesspeople come to my office, they are talking repeatedly about this particular issue. They are all whistling, asking for some kind of relief.

I realize I talked about my three sons who did not have insurance. My two that still do not will not have it under this bill because the provisions do not allow them to participate. But my next-door neighbor who is trying to make a living in a shop down on Main Street that does not have insurance could under the provisions of this bill. Those are real-life people who need this kind of assistance and help, and they cannot get it any other way. The status quo does not offer this kind of assistance. This is one of those few rays of hope that they will have. These people are truly whistling at us. Our job as Congress is to finally listen.

Mr. Speaker, I urge support of the rule on the underlying bill, H.R. 525.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1445

PROVIDING FOR CONSIDERATION OF H.R. 22, POSTAL ACCOUNTABILITY AND ENHANCEMENT ACT

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 380 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 380

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 22) to reform the postal laws of the United States. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform. After general debate the bill shall be considered for amendment under the five-

minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Government Reform now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

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

This structured rule provides 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform, and waives all points of order against consideration of the bill. It provides that the amendment in the nature of a substitute recommended by the Committee on Government Reform now printed in the bill shall be considered as an original bill for the purpose of amendment and waives all points of order against the amendment in the nature of a substitute recommended by the Committee on Government Reform.

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

Finally, the rule waives all points of order against the amendments printed in the report and provides one motion to recommit with or without instructions.

Mr. Speaker, I rise in strong support of H.R. 22, the Postal Accountability and Enhancement Act, and this underlying rule. When I was first elected to Congress in 1996, I served on the Committee on Government Reform and Oversight's Postal Service Subcommittee, which was charged with the task of reforming our Nation's postal operations to make them more efficient, cost-effective, and responsive. And although I no longer serve on the committee or the subcommittee charged with the oversight of the U.S. Postal Service, my commitment to reforming the Postal Service has not decreased.

Today, for the first time in three decades, the gentleman from Virginia (Mr. TOM DAVIS), chairman of Committee on Government Reform; and the gentleman from New York (Mr. MCHUGH), my friend, have brought to the House floor a comprehensive bill that would vastly improve the United States Postal Service, and I would like to thank both of them for all the hard work that the Committee on Government Reform has invested in this legislation.

Since President Nixon signed the Postal Reorganization Act in 1970, the United States Postal Service has not significantly updated its fundamental operations. While this legislation helped to update the Postal Service and to move it from a bureaucracy subsidized by tax revenue to self-sufficiency, a market-based entity, the way that people communicate has changed dramatically over the last three decades, and the Postal Service must now evolve to meet the changing demands of consumers.

The Postal Service is a very large organization that sits at the center of a $900 billion industry, representing about 9 percent of America's GDP, that employs more than 9 million workers nationwide. It processes more than 200 billion pieces of mail to 130 million households and businesses every year, and it directly employs 700,000 people, making it the second largest employer in the country. If the Postal Service were a private company, it would rank 11th on the Fortune 500 in terms of revenue.

However, 21st century realities, including decreasing volume; insufficient revenue; mounting debts; and the rapid growth of electronic communications for advertising, bill payments, and information transfer present an enormous challenge to the Postal Service in fulfilling its mission to ''provide postal services that bind the Nation together through the correspondence of the people, to provide access in all communities, and to offer prompt, reliable postal services at uniform prices.''

H.R. 22 maps out a responsible and accountable future for the United States Postal Service that will provide increased oversight for its operations, renew its focus on its core mission of delivering the mail, and save as many as 1.5 million jobs in the private sector that rely on the Postal, and accomplishing all of this without imposing a significant new tax burden on every American who uses stamps.

This bill would transform today's Postal Rate Commission into the Postal Regulatory Commission and give it to the authority to ensure that the Postal Service as an efficient and responsible operation in the 21st Century environment exists. It would require the Postal Service to account for all of its costs in SCC-like financial disclosure statements and give the Regulatory Commission the authority to punish the Postal Service for any noncompliance. It would also subject the Postal Service to antitrust laws, require the Regulatory Commission to account for the advantages that its government status confers, and build these advantages into a competitive product that helps to raise the level playing field with private business.

H.R. 22 would renew the Postal Service's focus on its core mission also of collecting, sorting, transporting, and delivering the mail more efficiently, and to bar it from new nonpostal products and services already being provided efficiently by the private sector. It would also prevent a 2-cent postage rate increase this year with another even larger increase that might have been anticipated next year that would act as a significant drain and backdoor tax on our growing economy.

According to estimates, if mail decreased by 10 percent, over 780,000 mailing industry jobs would also be at risk; and if decreased by 20 percent, over 1.5 million jobs would also be at risk.

As our economy continues to expand with 25 consecutive months of job gains adding over 3.7 million new jobs to payrolls, and payroll employment having increased by 2.1 over the year, we should not be adding artificial impediments to future job growth and expansion like a stamp price increase. Adding this new stealth tax on American families and businesses would simply accelerate the movement of mailers to other communications media, decreasing volumes at the Postal Service even further and exposing taxpayers to the unfunded obligations of the United States Postal Service.

I am very proud of the hard work that so many Members have put into reforming the United States Postal Service to ensure that it is a dynamic, market-based entity that provides uniform and universal service to America while preventing its status as a government entity from subsidizing its competition for providing goods and services already being supplied by the private sector.

I would personally like to thank the gentleman from New York (Mr. MCHUGH) and the gentleman from Virginia (Mr. TOM DAVIS), our wonderful chairman, for their tireless efforts to

improve the United States Postal Office.

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

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, I rise today with disappointment that the House is again considering a rule that blocks all but a select few from offering amendments. Let me make it clear I do not oppose the underlying bill, and I intend to vote for it, but the closed manner by which the majority is bringing the underlying bill to the floor is just plain wrong.

Yesterday in the Committee on Rules, the gentleman from Tennessee (Mr. FORD) offered an amendment that would permit military personnel on Active Duty in the Department of Defense-designated combat zones to receive packages on a postage-free basis. Under this rule, however, the gentleman from Tennessee (Mr. FORD) is not permitted to offer his amendment. I am disappointed and displeased that the majority has once again failed to provide the House with an opportunity to extend the most meager of benefits to those men and women who risk their lives so that all of us can be free. We really should be ashamed of ourselves.

As the gentleman from Texas has noted, Mr. Speaker, the Postal Accountability and Enhancement Act represents the first major restructuring of the United States Postal Service in over 30 years. This bill provides the Postal Service with greater flexibility to set its rates and manage its costs. It also creates a new regulatory system for overseeing the Postal Service's operations and levels the playing field for the Postal Service to finally compete against the megacommercial delivery services of the world.

Mr. Speaker, this legislation is long overdue. On July 26, 1775, Benjamin Franklin was named our country's first Postmaster General. It took the Continental Congress just 1 day to name Benjamin Franklin to that prestigious post. As many of my colleagues and students of American history are well aware, the Congress of 1775 had many great issues to deal with at that particular time, such as the Revolutionary War, disputes over taxes, and the issue of private landownership, just to name a few. Yet with all the great events that were taking place at the time, the Continental Congress still managed to name a Postmaster General in just 1 day. Ironically, it took President Bush 5 years to finally support the Postal Accountability and Enhancement Act.

□ 1500

Benjamin Franklin once said: ''You may delay, but time will not.''

Mr. Speaker, I applaud my colleagues on both sides of the aisle for refusing to delay this bill any further and for demonstrating the intuition to present such a sensible and necessary piece of legislation. The success of the legislative process by which the underlying bill comes to the floor today should serve as an example of what Congress can accomplish when bipartisanship and openness overwhelm political partisanship.

Mr. Speaker, I urge my colleagues to support the underlying legislation, and I reserve the balance of my time.

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

The gentleman from Florida (Mr. HASTINGS) has made some very good points, and that is that the work that has gone into this bill, while it has been some probably 10 years in the making, was done through strong leadership, it was done through strong bipartisan leadership, it was done not only with the negotiation of the United States Postal Service, its management and its unions, but also so many outside groups that had an influence in impacting a bill that was done properly.

A lot of that credit goes to the chairman of the Committee on Government Reform, who a long time ago decided that it was in the best interest of the economy of this country to make sure that a carefully crafted bill, a bipartisan bill that could be supported on this floor by members like the gentleman from Florida (Mr. HASTINGS) and the gentleman from Virginia (Mr. TOM DAVIS), who had served on the postal committee many years ago with me, would be able to bring forth to this floor a good answer. I am very proud to support this bill.

Mr. Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Speaker, I thank my friend, an alumnus of the Committee on Government Reform, a very active former committee member, for yielding me this time.

I rise today in support of House Resolution 380, the rule to provide for the consideration of the Postal Accountability and Enhancement Act.

''Neither snow nor rain nor heat nor gloom of night stays these couriers from the swift completion of their appointed rounds.'' This is the unofficial motto of the Postal Service, engraved outside the James A. Farley Post Office in New York City.

But today, the Postal Service faces a threat far greater than snow or rain or heat or gloom of night. The threat is the outdated and unsustainable structural framework within which the Postal Service operates. It threatens to bring it to the brink of catastrophe unless Congress acts immediately. I think that H.R. 22, the Postal Accountability and Enhancement Act, is the solution.

This legislation reforms and sustains a vital sector of our overall economy. Standing alone, the Postal Service currently has more than 800,000 employees. But more than 9 million American jobs, $900 billion in commerce, and nearly 9 percent of the Nation's gross domestic product depend on mail and package delivery.

Each year the Postal Service processes and delivers 208 billion pieces of mail to more than 130 million addresses in the United States. That is 208 billion magazines, catalogs, thank-you notes, birthday cards, wedding invitations, Social Security checks, IRS refunds, letters to our Congressmen, movie rentals, all delivered in fulfillment of the Postal Service's promise of universal service.

The last time that the Congress passed legislation to overhaul the Postal Service was 1970 when President Nixon signed the Postal Reorganization Act, before e-mails, before faxes. The world has changed.

It is now time to bring the Postal Service into the 21st century, to rescue it from the structural, legal, and financial constraints that have brought it to the brink of utter breakdown.

Now, our time to act is short. This past April, the Postal Service began the process of requesting a 5.4 percent rate hike for all categories of mail. These rate hikes, think of them as a tax on the average postal customer which, of course, is practically everybody in the United States, will take effect next year unless Congress acts. For direct marketers, financial service companies, businesses relying heavily on shipping and mailing, these rate hikes will be devastating.

Some observers have likened the Postal Service's current situation to a death spiral, where declining business leads to higher rates which, in turn, leads to further declines in business until it is too late to change course. Unfortunately, under current law, the Postal Service's only recourse to remain competitive in today's markets is to raise its rates.

Moreover, the Postal Service's more recent request for a rate increase was spurred in part by an existing requirement that the Postal Service contribute $3.1 billion to a Federal pension escrow account, even though this account now houses more than $73 billion in civil service retirement savings that rightfully belongs to the USPS. This is but one of the outdated requirements that H.R. 22 seeks to reform.

Is this bill perfect? No, but there is no magic legislative potion that will cure the Postal Service of its ills. But I think that all of the stakeholders, the postal employees, the financial service companies, major marketers and, most importantly, all Americans who use stamps, are better off with this legislation than they would be without this long overdue package of reform.

More than 35 years after the last reform of the Postal Service, with millions of jobs at stake, and particularly in the face of the pending rate increases, the time has come for Congress to act. I want to thank the gentleman from California (Chairman DREIER) and the Committee on Rules

for crafting this rule. I urge Members to support it. I thank my good friend, the gentleman from Texas (Mr. SESSIONS), a former member of the committee, for his leadership and assistance in crafting this rule and getting this bill to the House floor. It was very, very important; and without his efforts, we probably would not be here today.

Ben Franklin once said: ''A penny saved is a penny earned.'' Rates are set to go up 2 cents. If we act today, we can stave that off, we can delay that, we can put savings back into the post office.

I want to also thank my colleague, the gentleman from New York (Mr. MCHUGH), who has forgotten more about the Postal Service than I will ever know, who struggled with this for 10 years and has been very critical in crafting this legislation; and on the other side of the aisle, my ranking member, the gentleman from California (Mr. WAXMAN), and the gentleman from Illinois (Mr. DAVIS) who have put innumerable hours into crafting the bipartisan bill.

I think this is a good rule, it is a good bill, and I urge my colleagues to support it.

Mr. HASTINGS of Florida. Mr. Speaker, I am very pleased to yield 4 minutes to my friend, the distinguished gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in permitting me to speak on this rule. I rise in support of the approach that has been taken. I add my praise for the gentleman from Virginia (Mr. TOM DAVIS), for the gentleman from New York (Mr. MCHUGH), for the gentleman from Illinois (Mr. DAVIS), for the gentleman from California (Mr. WAXMAN), for people who have labored long and hard dealing with the first post office update in over a third of a century. What we have before us is a carefully balanced effort to update and modernize this critical service.

I became involved with this effort when I first came to Congress 10 years ago, dealing with one specific element of focus, and that is to make sure that the post office, the local post office, which is the cornerstone of a livable community in small neighborhoods, in small-town America, in downtowns, that those 38,000 postal facilities in every way were assets to the community.

Sadly, what we found was a litany of efforts in the past where the post office basically did not play by the rules. It was idiosyncratic. Local land-use decisions were turned into political footballs. We had a series of efforts where the post office unfortunately ignored environmental regulations, local needs and desires. We set about to fix that with legislation that basically would have required the post office to play by the same rules as the rest of America.

I will say over the course of the 10 years, working with some of the colleagues that I mentioned, working with the Board of Governors of the Postal Service, working with three Postmasters General and others who are active in this effort, that we have come a long way. In fact, in many areas of the United States, we have seen examples where the post office has taken seriously its responsibilities and has been a model player providing that essential cornerstone.

It is important that this not be idiosyncratic. It is important that this approach, this way of doing business, must be codified into law so everybody can be protected. One of the reasons I support H.R. 22 is because it does just that. It requires the post office to obey zoning, planning, environmental regulations. It will be better for the post office; it is better for our communities.

But I want to go a little beyond that, because as I have been involved, I have been struck with the importance, not just in bringing up the physical facilities of 38,000 postal offices around the country, but to be active in terms of the change that is taking place.

The United States Postal Service occasionally comes into criticism by people who are concerned about it, but the fact is the post office handles one-half of the mail in the entire world. They collect only one-quarter of the revenue; they have less than a fifth of the work force; they are more than three times as productive as postal services around the world, and their rates are lower than any other of the developed countries. It is also important that we are ready for the changes that are cascading down upon the Postal Service. The status quo is not tenable. This legislation recognizes that.

I strongly urge, however, that as we come forward with a range of amendments that they be rejected. I appreciate that they are well-intended. Some of them in other contexts I may be interested in, but this is part of this carefully crafted balance. It is important that we not upset the apple cart. It does not take much to derail it. It has been a hard pull to get to this point. I strongly urge that we support making the post office a full partner, that we resist amendments that would upset the balance, and that we can all be, after the approval of H.R. 22, the modernization, so that we can be about the business that is going to have to go on from here. Because there is more work that is going to be done. Controversy is not going to go away. Luckily, this legislation provides a platform that is going to help us all do this important work.

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

A lot of the leadership that has been talked about, making sure that this bill is a carefully crafted bill, is true. But there are also a lot of people who played a big role in making sure that the elements and the people who are a part of the dialogue and a part of the things that were necessary to make sure this balanced bill was brought forward were important also.

Mr. Speaker, the gentlewoman from Michigan (Mrs. MILLER), the chairman of the Subcommittee on Regulatory Affairs for the Committee on Government Reform, has played an integral role in making sure that not only her footprint was on this and hand print was on this but, also, in particular, that other people who had a vested interest, most of all the taxpayers of this country, were also involved.

Mr. Speaker, I yield 5 minutes to the gentlewoman from Michigan (Mrs. MILLER).

Mrs. MILLER of Michigan. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to support this rule, and I am very proud to be a cosponsor of this legislation. I did serve on the postal panel and the Committee on Government Reform as well. This is really the first real reform of the United States Postal Service since the 1970s.

Mr. Speaker, America succeeds and America prospers because America evolves. Our Nation evolves. We are always striving to leverage our economic, our technological, and our political advancements to improve our entire Nation. Much of what might have been good in the 1970s is clearly not good enough for the 21st century, especially when it comes to communications; and the United States Postal Service, with a uniquely critical means of communicating in our Nation, unfortunately, is laboring under a business model that was built in an era that predates the Internet, that predates e-mail, and even fax machines.

Any private sector business would have been put out of business. But the United States Postal Service today, and these are some staggering numbers, actually delivers 200 billion pieces of mail each and every year, it delivers to 130 million households, and it is the center of a nearly $1 trillion industry.

But the competition is growing, of course. Revenues are at risk; its workforce, unfortunately, is aging, and so is its equipment. Yet these are all the same kinds of challenges that so many businesses today face.

I was very proud to cosponsor and to update and to upgrade this legislation, which does all of that, for our Postal Service. The Postal Accountability and Enhancement Act modernizes the Postal Service's infrastructure and its financial framework; and at the same time, it also maintains its traditional benefit, the best benefit I think, and that, of course, is 6-day, universal service.

□ 1515

H.R. 22 provides the postal office with firmer financial ground, and it mitigates the needs to constantly raise postal rates. It ensures those that live in America's rural communities that they still have very close access to a full-service postal center. What is more, equally as important, I think, is it preserves the right for collective bargaining for our postal workers.

Our postal employees have a record of achievement of on-time delivery performance, and many of us, I think, were reminded of how much we take them for granted after the anthrax scare. In fact, I remember it was a commercial that was playing that was put out by the Postal Service that had that Carly Simon song in the background, Let the River Run, and it really, I think, was a very powerful ad that reminded us all of how important our postal employees are.

The men and women of the United States Postal Service stood then and they stand now in harm's way sometimes, because they have dedicated themselves to serving all of us. They certainly deserve the right to bargain collectively to protect the financial future of their families.

This bill also serves as the framework that will help the United States Postal Service to become a model, quite frankly, as a governmental agency to be both cost-effective and cost-efficient, to help them to create a business plan, to negotiate the best business practices with its customers, and it allows for them to focus on a term, customer service, that is not exclusively a concept that is exclusively in the private domain, it can also be in the public domain as well.

This bill embraces concepts like work sharing, in which the Postal Service embarks in a partnership with private companies offering postage discounts to businesses who help the Postal Service prepare and move our mail, flexibility that the private sector enjoys and that they employee as part of its competitive business mix.

This bill essentially allows the United States Postal Service to operate like a business, which will clearly benefit all Americans. So I do want to thank everybody who worked so very hard on this piece of legislation. It is a very important piece of legislation. I want to personally recognize the gentleman from Virginia (Chairman DAVIS), who just made some remarks earlier. I have watched him work tirelessly on this bill, as well as the gentleman from New York (Mr. MCHUGH), who has been a leader in postal reform for a very long time.

Mr. Speaker, I think this is a great piece of legislation which also demonstrates very clearly how bipartisanship can work very well on the floor of this House. It certainly has done that. I commend all of the Democratic Members who have worked very hard on this as well, and I would urge my colleagues to support this rule and urge them to support this critical piece of legislation as well.

Mr. HASTINGS of Florida. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS), my good friend. A lot has been made of those who crafted this legislation. The gentleman from Illinois (Mr. DAVIS) was extremely instrumental in providing that bipartisan flavor to bring us to this moment.

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentleman from Florida (Mr. HASTINGS) for yielding me this time. I also want to thank him and the gentleman from Texas (Mr. SESSIONS) for the presentation of this rule.

I want to commend the chairman of the Committee on Government Reform, the gentleman from Virginia (Mr. DAVIS), and the ranking member, the gentleman from California (Mr. WAXMAN), for the tremendous leadership that they have displayed in shaping this bipartisan legislation.

I also want to commend the gentleman from New York (Mr. MCHUGH), who is known as ''Postal Reform'' in our committee, because he has worked on this issue for such a long period of time.

Many of us recognize that postal issues are not considered to be the most exotic business that will come before this House, but if you are waiting for an important document that does not come at the time you were hoping to receive it, or maybe it was a letter from a relative, from your mother or your father or from your child, and it is not there, or it was an admissions letter to college or university and you are anticipating its arrival, and it does not come, then you begin to realize how important the Postal Service is.

I want to commend the thousands of men and women who work every day to make sure that these channels of communication are still open. Imagine being able to get a letter from anyplace, first class, in the United States of America for 37 cents. That is no easy feat.

And so I commend all of those who have made sure that these channels of communication have been kept open. I commend all of those members of the committee who have labored, and all of the stakeholders. Shaping this legislation was not the easiest thing in the world to do, but I have been told that when men and women of goodwill come together with a basic recognition of the need to be in sync, that you can work out solutions to any problems that have existed.

That is what has taken place in the Committee on Government Reform. Again, I commend the tremendous leadership that we have gotten from the chairman and ranking member. I know that there are amendments that are desirable, but I am going to resist them, and urge that they be resisted, and urge passage of this landmark legislation that seeks to reform the postal system and postal operations.

Mr. SESSIONS. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Speaker, let me thank the gentleman from Texas (Mr. SESSIONS) for yielding me time.

Let me stand today and thank those who have put together this postal reform bill. It is not an issue that I work on. I deal with Education and Workforce issues. But I have watched this issue over the last 10 years be hit from one side of the ballpark to the other, kicked from one end of the field to the other, and yet we never could quite get it over the line.

Mr. Speaker, I really want to stand today and thank the gentleman (Chairman DAVIS), the ranking member, the gentleman from California (Mr. WAXMAN), the other members of the committee who were involved in this, for bringing together all of these different moving pieces in order to create a successful legislative package.

The real reason I rise is to thank our colleague and my friend, the gentleman from New York (Mr. MCHUGH), for over 10 years has put in time, effort, blood, tears, to try to hold these pieces together, bring the necessary agreements to bring other parties together, and I think that he has done a fabulous job and deserves a lot of recognition from all of the Members for bringing this package along, staying with it. He could have walked away countless times because it was too hard, it was too difficult, and too many people just never wanted to come to the table, but because of his efforts and the efforts of many others, we are here today with a bipartisan package that deserves the support of all of our colleagues.

I support the bill and certainly support the rule that will bring it to the floor.

Mr. HASTINGS of Florida. Mr. Speaker, I yield 4 minutes to the distinguished gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Speaker, I thank the gentleman for yielding me time and for his work in bringing this bill and this rule to the floor.

The reason that my colleagues are hearing such kudos for the chairman, the gentleman from Virginia (Mr. DAVIS), subcommittee chairman, the gentleman from New York (Mr. MCHUGH), the ranking member, the gentleman from California (Mr. WAXMAN), and the gentleman from Illinois (Mr. DAVIS) will be understood, I think, if you understand that it has taken us 11 years to get here. So only great tenacity and skill could have brought us this far.

I have been in Congress for 15 years. It seems to me that this has been before us forever, but never on the floor before, and there is a good reason for it. It is not because there were special interests or cantankerous Members; it is we are trying to do almost the impossible. We are trying to make an agency meant to be only partially competitive stand alongside one of the most competitive parts of our economy.

So what was necessary was to somehow bring the likes of UPS and FedEx on board at the same time that all of the unions could be brought with us, UPS and the entire industry. That is why it has taken so long and why in reverence we have to be thankful for those who have accomplished this mission. Understand we are dealing with

an industry that is 9 percent of our GDP, nothing to be taken lightly.

Yet what you have before you is something of a miracle. It is a unanimous and bipartisan bill where Members have put aside their selfish concerns, and we do have them, for the greater good of the Postal Service, because one thing we have to come to grips with is not a single Member that can go home and say, well, it was not good enough for me, so I put your Postal Service in jeopardy. Just try that out on your constituents.

At the same time, the Postal Service had to wake up to the 21st century, had to modernize in ways that 9/11 had nothing to do with, had to modernize because the world has come forward with technology that challenges them, the way UPS and FedEx will never challenge them. How do you do that?

They are still trying to do that. But one of the things you do is give the Postal Service some of the flexibility that is associated with the private sector, as much of it as you can, consistent with the fact that this is a controlled section of the economy, because there are some things that the Postal Service must do and nobody else can do; that is, go to some of the far reaches of your rural districts where they better get their mail on time the way I do mine nine blocks from the Capitol.

Even those who had serious problems with this bill, the mail handlers, for example, have a real problem and one that has to be taken seriously with the way in which the bill deals with single pieces of parcels, single parcels, where we have allowed the Postal Service to transfer revenue in order to keep this part of the service lower, and we are getting rid of that to make them more competitive with the private sector.

They say, watch out because you are going to raise the costs, and that is not good. But you know what they have said and agreed to? Perhaps we can resolve it in conference. So they say, pass the bill. I say as well, because we need to modernize the Postal Service. And we have even gotten around for ourselves the part that says that we might contribute to the deficit by giving back to the Treasury what they put on to the Postal Service, which is the cost of military pensions.

We say you have held billions of dollars from the Postal Service. Tell you one thing, if we did not do that, what it means is that the Postal Service, which has already filed for a rate increase, would be forced to go ahead. I, for one, do not want to go home in 2006 and say, I voted for a mail increase. That is what you will vote for if you vote against this bill.

My thanks to the sponsors once again for this historic work.

Mr. SESSIONS. Mr. Speaker, as you know, this bill is about the taxpayer. It is also about high-tech areas that depend upon a Postal Service that works properly. And our next speaker is from one of those areas, a high-tech area that is important to this country in not only manufacturing, but also delivery of goods and products.

Mr. Speaker, I yield 3 minutes to the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Speaker, I rise today in strong support of this rule and underlying postal reform legislation. I commend the gentleman from Virginia (Chairman DAVIS) and the ranking member, the gentleman from California (Mr. WAXMAN), along with the much heralded sponsor of this bill, the gentleman from New York (Mr. MCHUGH), for working in a bipartisan manner that has twice allowed this bill to be reported from committee by a unanimous vote.

Now, I have only been here 5 years, and like my colleague from Washington, DC, says, she feels like every year it is painstakingly making its way through the process. And even in the 5 years since I have been here, I know how important this bill is, and I am so pleased that we are at the point we are today.

I am pleased to be a cosponsor of H.R. 22 because of its importance to businesses, postal employees, and all of us who have mail delivered to our homes or our businesses. This legislation has provisions that will allow the Postal Service to operate more efficiently and would require that it focus primarily on its main focus, which is delivering the mail.

H.R. 22 helps enable mailers to partner with the Postal Service to reduce the cost of mailings, providing an efficiency to the Postal Service, and helping businesses to save money that can be invested in jobs and job growth.

The bill is a good idea for postal employees for a lot of different reasons, one of which is because it returns the responsibility for the military service portion of postal retiree benefits back to the government and corrects overpayments by the Postal Service to the Civil Service Retirement System.

□ 1530

In short, the bill provides the changes necessary to keep the Postal Service operating. It is so important to all of us every day. I mean, I know at certain times in my life I felt like if I did not see my friendly mailman or mailwoman at my door, I felt like I did not have a friend in the world. So let us keep the Postal Service operating without the hefty rate increases that would inevitably come with the status quo.

This bill means a great deal to very many people. After so many years of work, I congratulate all of those intimately involved. I urge my colleagues to join me in support of the rule and the underlying bill.

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

Mr. Speaker, we come to the close offering praise to those who brought us this far. I add my congratulations to the distinguished leadership of this committee on both sides of the aisle for fashioning a piece of legislation that I believe will pass the House overwhelmingly and that I certainly intend to support, and I ask all of our colleagues to do likewise.

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

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

Today, we have had an opportunity to bring forth this postal bill with not only bipartisanship, but really some pats on the back to a lot of people who have been engaged in this issue for a long time, and perhaps none more diligent about this than the gentleman from New York (Mr. MCHUGH), our wonderful colleague. I think the way he has gone about this, Mr. Speaker, has been good, not only for this House but a credit to the men and women who have also been engaged in this.

I remember some 9 years ago as I went with a rural letter carrier down in Jeuitt, Texas, Stan Waltrip. I had a chance to go and deliver the mail with Stan and to see firsthand the kinds of, not only the people he came in contact with but the importance of doing this. So this bill is important that we have done this.

There are other people who have contributed to the success, rural letter carriers, certainly the postal carriers, letter carriers, those people who represent the Post Masters, the Financial Services Roundtable and many others. I would also like to thank the White House for their involvement. Three people in particular from the Leg Affairs office, Brian Conklin, Elan Liang, and Chris Frech, have been very diligent in making sure that this House and its Members are updated about the position of the White House.

Mr. Speaker, I would say this is a good piece of legislation. It is one that comes at a great time for this country. It is one that will spur the economy and make sure we are prepared for the future.

I ask my colleagues to please make sure they support this rule and also the underlying legislation.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SMALL BUSINESS HEALTH FAIRNESS ACT OF 2005

Mr. BOEHNER. Mr. Speaker, pursuant to H. Res. 379, I call up the bill (H.R. 525) 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.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to House Resolution 379, the bill is considered read for amendment.

The text of H.R. 525 is as follows:

H.R. 525

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 2005''.

(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 dependents 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 2005,

''(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 2005.

''(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 2005, 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 regarding 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 NONDISCRIMINATORY.—

''(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 Secretary. 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 2005, 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 bylaws 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 required 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 believe 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 2005.

''(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 2005, 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 section 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''; 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''; and

(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 2005 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, 2010, 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 (i), 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 in the nature of a substitute printed in House Report 109–183, 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. 525.

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. The number of uninsured Americans today stands at 45 million Americans; 27 million are fully employed. And 63 percent of these working uninsured are either self-employed or work for a small business with fewer than 100 employees. It is tragic that so many employers cannot afford to purchase high-quality health insurance benefits for their workers.

The problem is not going away, and we have a responsibility to confront it. With health care costs continuing to rise sharply across the country, more and more employers and their employees are sharing the burden of increased insurance premiums. Employer-based health insurance premiums jumped by 11 percent last year following a 15 percent increase in 2003.

Clearly, we need to focus on providing affordable health care to the uninsured as well as 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 responds to this problem and can help reduce the high cost of health insurance for small businesses and uninsured working families. By creating association health plans which would be strictly regulated by the Department of Labor, small businesses could pool their resources and increase their bargaining power with benefit providers which will allow them to negotiate better rates and purchase quality health care at a lower cost.

President Bush addressed this point directly last year during his speech at the United States Chamber of Commerce where he said, ''AHPs would provide small businesses the same opportunity that big businesses get, and that is the economies of scale, the economies of purchase, the abilities to share risk in larger pools which drives down the costs of health care for small businesses.''

The President is right, and we should help level the playing field so small businesses can offer quality coverage to their workers.

Americans overwhelmingly agree with President Bush that association health plans are the right plan to help the uninsured. A poll conducted last year showed that 93 percent of Americans support association health plans as a way of providing access to affordable care for American workers who lack coverage. Over the last year, we have seen how large corporations are now starting to band together to provide health care to their part-time workers. Do small businesses and their workers not deserve the same opportunity?

Importantly, the bill gives AHPs the 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 exemptions today. Clearly, these mandates are useless to families who have no health coverage in the first place. If you do not have health care coverage, State mandates requiring health plans to offer specific benefits do you and your family no good at all. This measure includes strong safeguards to protect American workers.

Despite the bipartisan nature of this bill, I would like to correct some of the misinformation that I have heard. The 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 a 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 where the employer is located. The bill also includes strict requirements under which only bona fide professional and trade associations 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 for at least 3 years.

We in Congress have a responsibility to deal with a problem of small businesses who cannot afford to provide health insurance because of skyrocketing health care costs. The U.S. economy is getting stronger by the day, and more and more employers are hiring workers each month. Earlier this month the unemployment rate dropped to its lowest level since September of 2001 and the Labor Department reported that 3.7 million new jobs have been created since March of 2003. That is 25 consecutive months of sustained job creation.

We want to make sure that these workers have the opportunity to receive quality health insurance through their employer, and this bill can help make that happen.

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

Mr. ANDREWS. Mr. Speaker, I rise in opposition to the bill and I yield myself 4 minutes.

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

Mr. ANDREWS. Mr. Speaker, today there is a point of agreements and a strong point of disagreement. There is a point of agreement that health care costs are rising too fast for too many people. There is a point of agreement that the consequences of that price increase is a tremendous burden on small business and a high likelihood that more people will be uninsured.

I do not think there is a Member of this body that does not favor finding an intelligent and effective way to reduce health care costs for small business so they can continue to insure the people they do insure and expand and insure more people in the future.

Where we disagree is over whether this underlying bill is the right way to do it, and we emphatically believe that it is not.

There are four reasons to oppose this bill. The first is that there is a better idea. There is a better way to solve this problem, and the gentleman from Wisconsin (Mr. KIND) will address that issue when our substitute is brought to the floor in a little while.

The second reason is that this bill will not result in a reduction of the number of uninsured. To the contrary, it will result in an increase in the number of uninsured people, and here is how. It is estimated by the experts in this field that 8 million people will be shifted from conventional health care policies and plans to association health plans. These 8 million people will, in fact, probably have a lower premium than they do right now for a little while. But when those 8 million people are shifted out of conventional health care plans and they will tend to be younger and healthier people, the people remaining in the conventional health care plans will have to bear more of the costs, and premiums will go up by an estimate of 23 percent. When the premiums go up on the rest of those in the pool, fewer of them will be insured.

The experts estimate that while 8 million people will be shifted from regular plans to AHPs, 9 million people approximately will lose their coverage altogether, and the results will be a net loss in the number of insured of 1 million people.

So supporting this bill will increase the number of uninsured, not decrease it; and it will increase premiums by 23 percent.

The second reason to oppose this bill is that it fails to provide the protection to patients, providers and consumers that good insurance regulation provides. There are simply no effective regulations that will keep an insurance company from going bankrupt and being unable to meet its obligations to its policy holders and pay its claims. We have seen this happen before in multiemployer welfare associations. We will be submitting at the appropriate time a list for the RECORD of MEWAs that have failed.

This is the reason that the National Governors Association, that attorneys general, that commissioners of insurance both Republican and Democrat oppose this bill because the regulation that would protect patients and providers and consumers is not there.

The third reason that we should oppose this bill, the final reason, is that the coverage that people have fought for over the years, so that women have a minimum stay in the hospital after they have a C section, so that women have the right to an annual mammogram, so that people with diabetes have the right to insulin or diabetic care, so that people struggling with mental health problems or with substance abuse have the right to have those services covered, those protections which have been supported by Republicans and Democrats in State legislatures around this country are effectively repealed by the underlying bill, a judgment being made in Washington that contravenes the good judgment of Republicans and Democrats around the country.

This bill should be opposed. There is a better way that the gentleman from Wisconsin (Mr. KIND) will be putting forward with my assistance. This is a bill that will increase the number of uninsured and increase health insurance premiums for small businesses.

□ 1545

This is a bill that will leave patients and providers and consumers unprotected if and when insurance companies go bankrupt. Finally, this is a bill

that effectively repeals protections for breast cancer screening, colon cancer screening, diabetes care, substance abuse care, and mental health care. It is a bill that should be defeated.

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

Mr. BOEHNER. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. SAM JOHNSON), chairman of the Subcommittee on Employer-Employee Relations.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I thank the gentleman from Ohio for yielding me this time.

As you know, Mr. Speaker, the cost of providing health care for employees has become the number one issue for small businesses around this country. It is especially important to me, because in my home State of Texas, one in four workers are uninsured. Small businesses have it especially tough because there is an inherent problem in a small number of people. You need to be able to pool risk to make insurance work. To make matters worse, there is a lack of competition in the small group health insurance market, allowing a few insurers to charge whatever they want. That is why we need association health plans.

These AHPs would allow small businesses to pool together to purchase health insurance. So instead of one individual company shopping for health care insurance, they would bring an entire trade association, for example, the U.S. Chamber of Commerce, to the table with much better bargaining power.

However, pooling risk and buying in bulk is not enough. If your association had members all across the United States, you would have to abide by 50 different sets of mandated benefits in order to offer your insurance. Not only is that a headache, but it is more costly. Some of the mandates that have been enacted by State legislatures include infertility treatment and alternative health solutions such as acupuncture. These mandates drive up the cost of premiums.

To resolve this, AHPs would allow small businesses to buy insurance under the same terms that large corporations and unions enjoy today. ERISA, a law that governs employer benefits, lets these sort of self-insured plans use one set of Federal rules, not 50 State rules. Talk about a quick way to lower administrative costs.

And lower administrative costs, Mr. Speaker, means lower premiums, up to 30 percent lower by some estimates, and that means affordable health care for employers and their employees alike. So who would not want AHPs to pass?

Some critics say AHPs will be an opportunity for fly-by-night groups that front as insurance companies and then leave employers with unpaid claims. The AHP bill in both the House and the Senate has tough safeguards to protect small businesses and their employees. A bona fide trade organization must have been in existence for 3 years before enactment of the law in order to offer an AHP. And there are Federal solvency standards set up for these health plans, including requirements for a reserve fund and stop-loss coverage. This is beyond and above what ERISA requires.

Moreover, the Department of Labor would be charged with the oversight of these plans, and the bill gives them the power to pursue criminal penalties against those who commit fraud. The Department of Labor has testified in hearings that they are up to the task and support the legislation.

Who else? Groups that have worked so hard to get coverage for their particular treatment mandated by State legislatures do not want AHPs to be exempt from the 50 different State laws. Let me say it plainly: That is the point of the legislation. One uniform set of benefits lowers administrative costs. If it is good enough for large corporations and unions, it ought to be good enough for small businesses.

Mr. Speaker, AHPs are a big step in the right direction for our hard-working families who need health insurance now.

Mr. ANDREWS. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Wisconsin (Mr. KIND), who has come up with a very constructive and progressive alternative.

Mr. KIND. Mr. Speaker, I want to commend my friend and colleague, the gentleman from New Jersey (Mr. ANDREWS), for the leadership he has shown on this issue.

Here we are again, Mr. Speaker. Year after year after year it seems we continue to rise in this Chamber to debate the same issue. One of the reasons we have to do this year after year is because bad policy is tough to sell, and especially tough to sell in the Senate right now, which has refused to take this up and move it forward because it has been bad policy.

The chairman of the full committee, the gentleman from Ohio (Mr. BOEHNER), had a chart showing us a 93 percent approval of AHPs. That is not surprising, Mr. Speaker. There is such a craving throughout America for any type of legislative proposal that would bring price relief to the rising cost of health care, that I am afraid people will chase any proposal and even jump off a cliff without looking where they are going to land.

That is why, Mr. Speaker, especially under these conditions, it is more incumbent upon us here in this Chamber to be extra careful in regard to the policy proposals that we are proposing so we do not violate the Hippocratic oath, and that is: first do no harm to the current health care system. There is plenty of places where this legislation that is being offered today would do substantial harm.

We have had studies outside and inside this body that have come back explaining the true deficiencies of this legislation, but none probably summarize it better than the National Small Business Association that recently sent us a letter expressing their concerns. Now, this is an organization of some of the largest Chambers of Commerce and some of the biggest local and national organizations throughout the country, all of which see this AHP proposal for what it really is: an empty promise.

Mr. Speaker, I quote from this letter from the National Small Business Association in which they state, ''The biggest loser from the passage of AHPs would be small businesses. AHPs are not an answer to rising health care costs and would significantly worsen the state of health care for all businesses. More and more small businesses are realizing that despite the bumper sticker pitch in its favor, AHPs are, simply put, bad public policy.''

They go on to cite the Mercer study, saying that ''premiums for those outside the AHP market would increase an additional 23 percent, and an additional 1 million people would become uninsured as this policy plays out.'' They go on to state that ''the minimal price savings realized by some businesses through AHPs would come from attracting healthier participants and depleting benefits that are currently required by States. AHPs could create plans that manipulate benefits and are extremely unattractive to sicker, less healthy participants.

''Furthermore, the CBO found most of the enrollment in AHPs would come from businesses switching coverage. Only 1 in 14 would be newly insured. AHPs do nothing to solve the problem in rising health care costs to small businesses and their employees.'' And they conclude by saying, ''They simply shift the cost from the overall market to a more concentrated group of people. This is hardly a long-term solution.''

There is a better proposal, one that we will talk about in more detail when our substitute is offered. There is a way for us, I believe, to come together in a bipartisan fashion to address one of the most pressing issues of the day, and that is affordability and access to quality health care.

Businesses large and small, family farmers, individual employees are all suffering alike, and that is why it is important for us to come together and do something meaningful to relieve the health care pressures in this economy.

Mr. BOEHNER. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. NORWOOD), the chairman of the Subcommittee on Workforce Protections.

Mr. NORWOOD. Mr. Speaker, I thank the chairman very much for yielding me this time.

Mr. Speaker, it is my understanding that H.R. 525 is supposed to decrease the cost of health insurance for small businesses that cannot afford it today. Well, I support that. That is a good goal. All of us support that. Yet, unfortunately, I believe that in this bill that

has been undermined a little bit, and my logic is fairly simple.

As I read it, in section 805 of the bill, it allows an AHP to preempt State-level patient protection laws that prevent cherry-picking against small businesses with sick employees. Now, that troubles me a great deal. Look at the bill. Line 8 through 14 gives us the right, and line 21 through 22 takes it away. Sure, everybody can buy an AHP. It is just if you have anybody sick, you are in serious trouble, because the premium is going to be so high you cannot afford it.

After all, H.R. 525 is supposed to allow small businesses to come together to form large pools and purchase affordable health care through an association. That is a good idea. This makes sense, since large employers use this concept under ERISA to provide employees good rates, regardless of preexisting conditions. But in my opinion we, somewhere along the way, allowed this very good idea to be corrupted by a very bad provision, a sort of fly in the buttermilk of health care reform, in the form of section 805.

Mr. Speaker, 49 out of 50 States have instituted at least some patient protections that prevent insurers from using health status to discriminate against patients. Yet in plain English it appears to me that section 805 allows an AHP to preempt those rating laws. This simply makes no sense.

This is the bottom line: A small business owner in remission from cancer likely cannot get health insurance for himself, his family, or his employees if he lives in a State that allows for rating based on health status. Will that small business owner be able to afford high-quality health insurance from an AHP if H.R. 525 becomes law? Based on the language as I understand it, as I believe it to be true, he will not be able to get that insurance. Now, I believe that if H.R. 525 becomes law, it may even be much harder for that employer to get insurance. Why is that? Because all other employers with healthy employees will be in the AHPs.

I do not believe that is the intention of this bill. I hope I am wrong. I am going to vote for this bill. I am going to vote for it to move it forward, and I dearly hope I am wrong, and I hope that my chairman is right. But if time proves my position correct, I want these comments on the record so we will know exactly where to go to fix this when the milk turns sour.

Mr. BOEHNER. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, the gentleman from Georgia and I have had a disagreement over this particular provision for several years. It is very clear in the bill, as I read it, not the way the gentleman from Georgia (Mr. NORWOOD) reads it, and this is where the source of the disagreement comes in terms of how plans can choose groups of employees.

Under current ERISA law, you are allowed to have different rates for different groups of employees as long as there is a reason other than the health status of that group to have a separate group. Maybe you have a plant located in one part of the State, another plant in another part of the State. You could have two different rates at those two different plants, just like you can under most State laws and what you can under ERISA.

So I look forward to continuing to work with my friend from Georgia to resolve our misunderstanding of this issue.

Mr. ANDREWS. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY), a person who is a strong voice for the rights of patients and families.

Ms. WOOLSEY. Mr. Speaker, there currently are 45 million Americans who do not have health insurance and are looking for real solutions for their lack of health care coverage. Unfortunately, H.R. 525, the so-called Small Business Health Fairness Act, is not their answer. In fact, this bill allows insurance companies to preempt State law, making possible a race to the bottom by associated health plans as companies, because of this bill, can offer the cheapest insurance with the least coverage.

The idea that we would allow insurance companies to trump State law is really outrageous. Laws to protect those with diabetes, those with cancer, and a host of other ailments are at risk under this plan. That is why I offered an amendment in the Committee on Rules, along with the gentlewoman from New York (Mrs. MCCARTHY), that would protect mammograms and cervical cancer screenings from being preempted by association health plans. Unfortunately, the Republican majority does not see the value in protecting women from breast and/or cervical cancer, because they would not allow our amendment to come to the floor to be debated before we voted on this bill.

□ 1600

Mr. Speaker, in my district, the Sixth Congressional District of California, the women of Marin County are plagued by an unusually high rate of breast cancer, and particularly young woman have the high incidence of breast cancers. But, fortunately, in California we require insurance companies to cover mammograms. So while the women of Marin County still have to worry about their community's high rate of breast cancer, at least they know their insurance companies cannot deny them access to the best available screening tools.

I cannot accept the idea of even one woman in this Nation foregoing an annual mammogram or a pap smear only to be diagnosed later with advanced breast or cervical cancer because an association health plan does not provide coverage. This is a risk we cannot afford, and I urge my colleagues to vote ''no'' on H.R. 525.

Mr. BOEHNER. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. BOUSTANY), a physician.

Mr. BOUSTANY. Mr. Speaker, 45 million Americans lack health insurance today, and the number is rapidly growing. Twenty-six percent of all adults in Louisiana lack health insurance, and 22.6 percent of all working adults in Louisiana lack insurance.

It has been said over here that we need the insurance mandates to protect the patient. Insurance mandates are meaningless without insurance. We need a free market health care system that allows doctors to make decisions and not insurance companies. Fifty-two percent of Louisiana's small businesses offer health insurance, and the number is constantly declining. We must act to ensure that Americans can afford the health insurance that they need, and we can do so by passing H.R. 525, the Small Business Health Fairness Act.

This bill will create association health plans that will allow small businesses to band together through bona fide trade associations to become larger purchasers of health insurance, thus giving small businesses the same benefits that Fortune 500 companies now enjoy.

The Congressional Budget Office has estimated that small businesses obtaining insurance through AHPs would average premium reductions of 13 percent and some as high as 25 percent reductions. Overhead costs alone would decrease by as much as 30 percent under these plans. What is wrong with this? This is offering affordable coverage to workers.

There is additional research that also shows that up to 8.5 million Americans who are currently uninsured would become insured under AHPs. And this bill offers very many protections, consumers protections and protections with regard to solvency, as outlined.

If we are going to lower costs and increase accessibility to health care, we need to create choices and enhance competition. This bill is an important first step, and I urge its passage.

Mr. ANDREWS. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. HOLT), a Member who does not want to see a 23-percent increase in premiums for his constituents.

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

Mr. HOLT. Mr. Speaker, today Member after Member has been talking about the 45 million Americans who lack health insurance. At the origin of our problem, we are the only major country where your health care coverage depends on who you work for. But that is not to be debated today.

We are talking about the small businesses in New Jersey and elsewhere around the country that face the high cost of health insurance. We all hear about it from our small businesses and their employees. Unfortunately, what has been brought to the floor here is a bill that creates more problems than it solves.

The concept of companies working together to control costs has worked in

some States, and it is certainly something I support. However, I cannot support allowing association health plans to achieve cost savings by offering inferior coverage. Allowing AHPs to circumvent existing State laws, for example, with regard to mental health coverage or contraceptive equity or mammograms or prostate screening or countless other necessary benefits is not an acceptable means to cut premiums.

Supporters of this legislation claim that millions of small businesses and their employees will be eligible for this new insurance option. However, the Congressional Budget Office estimates that only 600,000 of those eligible are currently uninsured, a small fraction of this huge population.

And H.R. 525 would allow AHPs to offer artificially lower costs by offering cheaper premiums to lower-risk populations, a policy that will lead to older and sicker people paying higher premiums. The CBO found that more than 20 million workers and their dependents would see their premiums increase due to AHPs cherry-picking.

States require that qualified health plans cover certain basic items. States say that anything that is worthy of the name health plan must cover certain things. Well, under this bill I could create a health plan that covers nothing but ingrown toenail surgery. It would be the cheapest plan out there, but it would not help employees very much.

I urge my colleagues to vote against H.R. 525 and to support the Andrews-Kind substitute. Their legislation would address the real needs of small employers. It would establish a small employer health benefits plan that would grant small business employees the same benefits as Federal employees receive. It provides prorated premium assistance for companies of varying sizes and employees of varying income. It would be much preferable to H.R. 525.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. PRICE), a member of the committee.

Mr. PRICE of Georgia. Mr. Speaker, I thank the gentleman for yielding me this time and for his work on this issue and so many other important issues.

When I go home, and especially as a physician in Congress, when I go home and talk to small businesses, they say whatever you do, whatever you do, do something about my health care costs. Make it so I can help my employees get insurance.

Mr. Speaker, 45 million uninsured we have heard, 60 percent or more of those are employed currently, and why do they not have health insurance. Either they are self-employed or they work for small businesses so they have to purchase health insurance in the individual market.

So what is the solution? Pool together. Six people can buy insurance for cheaper than one person; 60 cheaper than 6; 600 cheaper than 60; and 6 million cheaper than 600, and it can be quality insurance, and H.R. 525 is a step in the right direction.

We have heard that the number of uninsured will go up, the cost for the premium will go up 23 percent. I will take that wager. This is the same crowd that said welfare reform would not work. I will take that bet.

Once again, the rhetoric we have heard is disgraceful. We have heard that Republicans do not care about women with breast cancer. Come on. What kind of nonsense is this. Who do you think will be making the decisions about the kinds of provisions that will be in that insurance policy? It is patients. It is patients in the associations, and they are much closer I would argue to the individuals making decisions about what is going to be included under those plans than human resources officers in large companies.

H.R. 525 is a step in the right direction. I encourage my colleagues on both sides of the aisle to support it.

Mr. ANDREWS. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Ms. VELÁZQUEZ), a person with whom I share an important goal, but have a disagreement on means.

(Ms. VELÁZQUEZ asked and was given permission to revise and extend her remarks.)

Ms. VELÁZQUEZ. Mr. Speaker, in every State and every district when we meet with small business owners, their number one concern is rising health care costs. Even as we sit here, the cost of health care continues to rise.

Today's legislation will help address this problem. Association health plans will provide an employer-based solution to help the sector of the economy that is being hit the hardest: small businesses. Critics of the bill will come forward today and tell you how association health plans are going to lead to a devastating impact on small businesses and the insurance market. Well, from where I stand, it is hard to imagine that it could get any worse.

We have 45 million Americans without health insurance and over half are small businesses and their employees. This includes up to 7 million children that have family members working for small firms. And for the last 5 years, small businesses have seen insurance costs increase by over 60 percent. These are statistics that are so often stated in this town that we forget what the real impact is. When an employer has to spend an additional $3,000 a year for coverage per employee year after year, it is easy to understand why some are dropping coverage all together.

We have a modest solution before us today that no one can claim will address all of the problems, but it can provide some help in a market that needs it. I think it is important to talk about what association health plans are and what they are not. These plans will be under the same set of rules that apply to corporate and union plans. In fact, the requirements for association health plans are even more strict. It will require that an association health plan have sufficient reserves to pay all claims. It includes protections against cherry-picking to prevent adverse selection. It provides a structure to ensure that the DOL can monitor these plans.

Critics will cite an outdated CBO study that does not even examine the legislation before us today. Will association health plans cure all of the problems when it comes to health insurance in the small group market? Absolutely not. But will it bring some elements of affordability and competition in these markets? I think so.

By some estimates, this bill is estimated to provide as many as 8 million Americans with insurance, no small sum. One of the best indicators as to whether AHPs will increase competition is the strong opposition from insurance companies. They are worried that they will lose their stranglehold on the small-group market. These insurance companies with highly paid lobbyists from Blue Cross/Blue Shield, for example, that hold monopolies on State markets are worried that they will have to start negotiating premiums rather than dictating them.

I rise in strong support of this legislation. I ask my colleagues to do the same. Just as important, I call on the Senate to act on this legislation and the administration to put its full backing behind this bill. This Nation's entrepreneurs deserve it.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I reserve the balance of my time.

Mr. ANDREWS. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. TIERNEY), a Member who understands that this bill will increase the number of uninsured by at least 1 million people.

Mr. TIERNEY. Mr. Speaker, this so-called Small Business Health Fairness Act is a bill that is attractive to a few, seems to be sufficient for none, and is going to be harmful for many.

The Congressional Budget Office did an estimate of the proposed bill. It estimated that only 600,000 of the 45 million uninsured will be provided new insurance coverage by these AHPs. In fact, the respected 2003 Mercer Consultant Study that was done for the National Small Business Association found that the number of uninsured will increase by 1 million, as increased nonassociated market costs force small employers to drop coverage.

The fact of the matter is there is not going to be the dramatic savings proposed here. That is not going to materialize. The Congressional Budget Office found that these premiums for AHPs would only be marginally less than traditional premiums for health care plans.

In fact, the 2003 Mercer Study found that premiums would increase by 23 percent for those outside the AHP market. It also found that there would be an increase in the number of uninsured workers in small firms, an increase of 1

million people as a result of this plan being implemented.

Again, the fact of the matter is that Americans would also lose their right to vital medical coverage, like OB-GYN and pediatrician services, cervical, colon, mammography and prostate cancer screening, maternity benefits, well-care child services, and diabetes treatment.

Mr. Speaker, this bill is going to disallow a lot of State protections. In fact, that is how you get cheaper insurance. If you want to lower the price, you just do not give people the coverage that they need and deserve. Almost all of the States that we talk about have protections for people with coverage. Almost every Member of this House voted for the Federal Patient Bill of Rights that would have recognized these State protections that are in place for insurance programs; yet this bill would take those out carte blanche.

□ 1615

As a person in small business for over 22 years, and having represented a lot of small businesses, I can tell you from personal experience that small business employers do not want inferior coverage for their employees. We cannot allow it to happen again here. In fact, Mr. Speaker, I can tell you that AHPs really already exist. They are called the multiple employer welfare arrangements, the MEWAs. The public record is filled with stories of failed MEWAs that left employers and employees alike with unpaid medical bills. From 1988 to 1991, dozens of MEWAs failed, leaving 400,000 individuals with over $123 million of unpaid medical claims.

Small business owners and their families and their employees deserve protections. They deserve to go to the emergency room. Women in small businesses deserve to go to gynecologists without referral from another doctor. Why should we treat small business owners and employees as second-class citizens and give them second-class health care? Instead of extending the patient protections to all Americans, this AHP bill would actually roll them back and roll back the limited protections that they get today.

Plainly speaking, Mr. Speaker, this bill eliminates all those protections. For this reason and for the other reasons I have mentioned, and the fact that over 1,000 different organizations oppose this bill, the National Governors Association, the Republican Governors Association, 41 State attorneys general, the National Small Business Administration, the National Association of Insurance Commissioners, as well as a dozen other labor, business and consumer groups think that this is not a good bill, I urge my colleagues to reject this bill and vote for the substitute.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILLMOR). The Chair would request that Members, as a courtesy to their colleagues, respect those time limits.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 525, the Small Business Health Fairness Act, designed to allow small businesses to create large insurance pools in order to give them market power which will allow them to purchase quality health insurance at affordable prices through association health plans.

In truth, our biggest bipartisan failure in this Congress has been our inability to help 45 million, now pushing 50 million, Americans who do not have health insurance. Sixty percent of these people work in small businesses or are self-employed. Unfortunately, small business employers either cannot afford to offer health insurance or offer it at premium costs that employees cannot afford. Small businesses and their employees need our help. AHPs are not a panacea, but they are a step in the right direction.

AHPs, association health plans, will be subject to Federal consumer protections, unlike what you may have heard, such as continuation of coverage; Federal claims procedures for benefit denials and appeals; guaranteed portability and renewability of health coverage for those with preexisting conditions; as well as the Mental Health Parity Act, the Women's Health and Cancer Rights Act, and the Newborns' and Mothers' Health Protection Act.

We have also heard that AHPs will allow for cherry-picking, that only the healthiest will be signed up. That is not true due to the antidiscrimination language in the bill. Really and centrally, opponents claim that AHPs are bad because they do not provide mandated State benefits. This misanalysis reflects some of the backward thinking in our health care system, that people would put mandated benefits ahead of prevention. That does not make sense.

Consider a State's mandated coverage for diabetes supplies. But what good is mandated benefits for diabetes supplies if you cannot afford to go to the doctor, and therefore do not know you have diabetes? Under AHPs you have an affordable, basic policy which covers doctors' visits. Therefore, you can get checkups and learn about your risk of diabetes or other health problems. The doctor can give you advice, prescribe life-style changes, and help you overcome, control, or avoid health problems. In fact, the American Diabetes Association cited a recently completed study on diabetes prevention that conclusively showed that people with prediabetes can prevent the development of Type 2, or full-blown, diabetes by making changes in their diet and increasing their level of physical activity.

Our approach provides affordable access to this kind of preventive care, allowing people to lead healthier lives and not go to the emergency room, which is driving up costs for all of us.

Some of our elitist opponents will call these policies worthless because they do not offer 30 or more State mandates. For a single mother who is a waitress who is able to take her son to the doctor, that is not a worthless policy. That is called progress. If the plans are so inadequate, don't worry, the people won't buy them.

Most professional men and women have health insurance. Members of Congress have a great health insurance plan. Members of labor unions have health insurance. Why do they not want the mechanics and the barbers and the waitresses and the realtors to have health insurance? The attitude of our opponents seems to be, ''I drive a Cadillac. If you can't afford to drive a Cadillac, you don't get to drive at all.'' That does not make sense.

Today 45 million Americans cannot afford a Cadillac health insurance policy with all the mandated benefits. However, they might be able to afford a more modest vehicle that would get them to their doctor's office where they could at least get a diagnosis, advice and recommendations in order to improve their quality of life.

A broad and diverse coalition of more than 180 groups support this bill, including the U.S. Chamber of Commerce, the National Federation of Independent Business, the American Farm Bureau, the Associated Builders and Contractors, the Latino Coalition, and the National Black Chamber of Commerce. People want health insurance. Opponents of AHPs say, ''If you can't do everything for everyone, do nothing.'' We say this bill will help some people get health insurance, and we think that is a good thing.

Please, support AHPs. Let us quit talking about health insurance and actually deliver it to the American people who work in small businesses and who are self-employed, because they really need it.

Mr. ANDREWS. Mr. Speaker, among those who know the difference between a Cadillac and a lemon are the insurance commissioners of our States who oppose this bill.

Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY), one of their former members.

Mr. POMEROY. I thank the gentleman for yielding time.

Mr. Speaker, let us understand something fundamental here. People do not just want the appearance of health insurance. They want a program that they can trust and that will pay when they incur the claim, and that is the critical problem with the bill being put before us. There are no meaningful consumer safeguards. This can manifest itself in three critical ways. First, as to content. We all know about insurance loopholes, the fine print that says, oh, we will pay your claim unless you file a claim, in which case we

won't pay the claim. This kind of malarkey has been with us ever since insurance first came in the marketplace. Insurance commissioners make certain that the policy does what it purports to do, no fine print taking away the meaningful coverage. This bill takes away that insurance commissioner protection provided to the consumers.

The second protection, rating. Do you know that in our States, there was a company that tried to sell a policy that actually raised the premium whenever you went to see a doctor? You thought you had good health care coverage, you went to see a doctor, your premium went up until it quickly became unaffordable. That is no insurance coverage. There is not the kind of protection on this kind of terrible rating scheme in this plan. As an insurance commissioner, I have seen rating schemes. Do not think for a second there are not people that will try this under this legislation. Consumers need protection there.

Thirdly, solvency. If there is one part of this bill that I think just screams out, ''This is stupid,'' it is the part on solvency. There is a $2 million cap on the solvency required for an AHP, no matter how many lives you have. Millions and millions of lives, $2 million maximum coverage. Do you know that the claims incurred by two premature babies could totally bust this plan? Again, people want coverage that is there when they need it, not coverage that gives them the appearance of having something only to have it go bust because it did not have enough capitalization. This business of capping solvency stands in stark contrast to any actuarial approach and shows that this is absolute danger for our consumers. Reject this bill.

Mr. BOEHNER. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Louisiana (Mr. BOUSTANY).

Mr. BOUSTANY. I thank the gentleman for yielding me this time.

Mr. Speaker, first of all, I have respect for our insurance commissioners, but I want to say that three out of the last four in Louisiana went to jail. So that is no automatic protection. I think other States have had similar problems.

The preemption language in the bill only grants two limited exceptions from State laws that regulate insurance. Fully insured AHPs are exempted from State laws that would, one, preclude them from establishing an AHP; or, two, prevent them from designing their own benefit package. These two exemptions are narrowly tailored to allow AHPs to set a uniform benefit package that can be offered across State lines and to ensure that State regulators will not pass laws that prohibit the establishment of AHPs. State laws that regulate insurance and do not impact benefit design will apply, including prompt pay, external review, and solvency requirements. Assistant Secretary Ann Combs testified to this at a March 2003 Subcommittee on Employer-Employee Relations hearing. At that hearing she noted that, quote, ''fully insured AHPs would purchase insurance products with solvency standards and consumer protections regulated by the States.''

Further specifying which State laws are not preempted is unnecessary. All State laws will apply except those that prevent a uniform benefit design or prevent an AHP from existing. Consumer protection laws that States see fit to pass will apply to fully insured AHPs. No further change in the legislation is necessary. Benefit mandates, as we have discussed, will be preempted as is the case for unions and large employers.

Mr. ANDREWS. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. VAN HOLLEN), a Member who understands that this bill will raise premiums by 23 percent and cost 1 million people their coverage.

Mr. VAN HOLLEN. Mr. Speaker, I thank the gentleman from New Jersey for his leadership on this.

This is a bad bill, Mr. Speaker, for many reasons. I want to focus on one of them, which is that this bill will strip away the consumer protections and the patient protections that exist under State law for our constituents today. I understand that we have 50 States, and in those 50 States many of them have different mandates for what has to be covered and what does not have to be covered, and there is some sense when you are talking about organizations operating across State lines that you would streamline that effort.

That is exactly what the gentleman from Massachusetts (Mr. TIERNEY) and I tried to do when we took an amendment the other day to the Rules Committee. We said, let us look at six patients' rights that have been agreed to on a bipartisan basis by this Congress in previous legislation and which are overwhelmingly agreed to in our States, and let us say with respect to those six rights, you can't take that right away from one of our constituents, one of our patients, one of our consumers if you are an associated health plan.

What happened to that amendment? We did not even get to hear it or vote on it in this House. What are we afraid of? What were those six provisions that we wanted to make sure all our constituents, all our consumers, were protected by? The right to an independent external review of coverage decisions. Forty-three States have this rule already. It says if you disagree with your insurance company as to whether or not you are covered, let us not ask the insurance company who is right and who is wrong, let us have an independent individual who can make that decision. Does that make sense? Most of our constituents think they will have that right. If you pass this legislation and if you are in an AHP, you are not going to get it.

Second, direct access to obstetric, gynecological, or pediatric services. You do not have to wait in line before you take your child to see the pediatrician.

Third, imposition of prudent layperson decision-making standards. If you show up at the hospital, and you have a good faith reason for thinking you are sick, and it turns out you did not have a heart attack, but you went thinking you had one and you had good reason to think so, your insurance company cannot deny you coverage for that visit. You do not have to be the doctor. That is why we have doctors.

Use of drug formularies, access to hospital emergency room treatment, 42 States have this requirement; and making sure that we do not restrict the ability of our doctors to give us their opinions, to make sure that those States where they say you cannot have a gag rule, where your physician can tell you, the patient, what he or she thinks is in your best medical interest, they cannot be punished by the insurance company for telling you the truth.

These are common-sense provisions, six common-sense provisions. That is what our amendment would have done. It would have made this piece of legislation stronger and protected our constituents. What happened? We did not even allow a vote on that.

I would just like to quote from 42 State attorneys general, Republicans and Democrats, who say, ''Consumers rightfully expect their States to protect them from fraud and abuse. Elimination of the State role and replacement with weak Federal oversight is a bad deal for small businesses and for consumers.'' Those are State attorneys general, Republican and Democrat, who, like us, are trying to look out for the consumer interest.

Do not pass this bill. If you do, you are going to have a lot of explaining to do to your constituents when they are denied by their insurance companies coverage that they thought they rightfully had.

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

Mr. ANDREWS. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. GEORGE MILLER), the ranking member of the full committee and a fighter for working families throughout his career here.

(Mr. GEORGE MILLER of California asked and was given permission to revise and extend his remarks.)

□ 1630

Mr. GEORGE MILLER of California. Mr. Speaker, I thank the gentleman for yielding me this time.

I must say the Republicans are on a roll here. Last week they voted in the Committee on Education and the Workforce to raise the cost of education to those students seeking a higher education by raising the cost of the loans that they will seek to finance that education. In this legislation what we see them doing is taking away vital

health benefits that millions of Americans currently have but will lose if this legislation is passed. And later this week they are going to bring an energy to the bill to the floor of the Congress that The Wall Street Journal says will raise the price of gasoline.

What is it that the middle class did to them to make them so angry at them? They raise the cost of their education, they take away their health care benefits, and now they are going to increase the price of gasoline. Do the Members know what the price of gasoline is in California? It is $2.67, $2.77, $2.87 a gallon. Do the Members know how hard people have struggled in these States to have minimum health care benefits so that they can have a mammogram, so they can have diabetes testing, and now they are going to take that away. And now they raise the cost of college education. It just does not make any sense.

The theory is that Congress should be trying to extend meaningful health care coverage to families and to making sure that they have benefits that, in fact, are there when they need them. But that is not what this legislation does. This legislation overrides all of the hard work that was done in 40 or 45 States to make sure that people would have access to well baby care, to make sure that they would have access to maternity benefits, to make sure that they would have access to mammograms, crucial services that families need. This legislation says not necessarily so, they do not get that, on the theory that we have heard argued here that some plan is better than no plan.

But a plan without benefits is not worth much at all. And why would one keep paying premiums even if they are low premiums if they do not get the coverage that their family needs?

The point is for the people running that plan, that can turn out to be very profitable. That is why they do not want the insurance commissioners involved, because at some point the insurance commissioners would do what they have done in the past. They would blow the whistle on people running plans where they take premiums from middle-class workers, but they do not give the benefit that they want. The record is replete with that, replete with that in State after State after State. But that is stripped out of this legislation.

This legislation should be rejected because it just is not the benefits that people need. What we ought to be doing is extending that kind of universal access to plans that provide people the benefits.

The Congressional Budget Office in its most recent report, April of this year, analyzed the legislation two other times and concluded that 8½ million workers would end up in AHPs under this bill, and over 90 percent of them would come from existing health care plans where in all likelihood their benefits are better. The CBO looked at it once, it looked at it twice, it looked at it three times, and it said that is their conclusion.

This means that millions of Americans, working Americans today with health insurance, under this plan would get stripped of the health care coverage that they now have and that they need, that they need. They are talking about trying to cover a couple hundred thousand people. That is their argument, but they are going to strip the health care benefits away from almost 8 million people that have this kind of coverage. It is unacceptable.

We ought to reject this. Later this week we ought to reject the energy bill, and maybe we can do something to keep people in decent health care plans, lower their energy costs, and, when the higher ed bill comes, reject that, and we can save them some money on a college education.

Mr. BOEHNER. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SAM JOHNSON), the chairman of the Employer-Employee Relations Subcommittee.

Mr. SAM JOHNSON of Texas. Mr. Speaker, we have heard it over and over again today on the floor. Too many working Americans have a job, but are uninsured because their employers cannot afford to purchase quality health insurance benefits for their workers.

This bill addresses the two most important issues in the health care reform debate: cost and access. H.R. 525 would, one, increase small businesses' bargaining power with health care providers; two, give them much-needed freedom from costly State-mandated benefit packages; and, three, lower their overhead costs by as much as 30 percent.

Our small businesses are denied the ability to purchase health coverage with the benefits large multistate companies and unions have enjoyed for decades. This bill fixes that problem.

By pooling their resources, increasing their bargaining power, AHPs will help small businesses reduce their health insurance costs. As the Members have heard me say before, if it is good enough for Wall Street, it is good enough for Main Street. Small businesses in most States are stuck with disproportionately higher costs because they have to choose from fewer than five providers. So AHPs offer them a new option to choose from. Most importantly, AHPs will expand access to quality health care for the people for whom it is currently out of reach: uninsured working families.

This bill has had unwavering support in the House for nearly a decade now. The other body is taking a serious look at the legislation this year, and it is a priority in the President's health care agenda. I look forward to working with our colleagues from the other body to make this bill law this year.

The problem is getting worse every day. Small businesses need our help now. Let us vote ''yes'' on H.R. 525.

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

Mr. Speaker, the argument for this bill rests upon a false choice that I believe would have catastrophic consequences for many Americans. We are told by proponents of the bill that if we are willing to yield the guarantees that they presently enjoy under the law that guarantee them a mammogram, guarantee them care for diabetic illness, guarantee them other rights that they fought and won for, if we make that trade-off, we will get more people health insurance. If that were true, this would be a difficult choice, but it is not true.

The net impact of this bill will be to increase the number of uninsured people by nearly 1 million people because the increases in premiums for small business that will occur in businesses that stay in conventional plans will chase more people out of these plans. The experts estimate that these increases will be in excess of 20 percent.

So this is a false choice. This bill does not say that if we yield these benefits that people cherish, more people will be insured. The opposite is true. If we were to make the mistake of yielding these cherished benefits, more people would lose their coverage than would gain it.

This is a choice not worth making, and it is why the National Governors Association opposes the bill, Republicans and Democrats. And it is why the Attorneys General oppose the bill, Republicans and Democrats. And it is why commissioners of insurance, Republicans and Democrats, oppose the bill.

I urge our colleagues on both sides of the aisle to protect the benefits that our constituents earned and deserve and to prevent the increase in the number of uninsured and the increase in health insurance benefit premiums and vote ''no'' on this bill.

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

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

Mr. Speaker, small employers today have a difficult problem. They are trying to keep their business alive. They are trying to make enough money to hire and grow their business and at the same time trying to provide affordable health insurance. About 60 percent of the 45 million people who have no health insurance work for small businesses of some sort. But what happens to those small employers in most of these State risk pools? They are in the small group coverage area, and guess what happens? There may be a provider or two that will offer them insurance. They are stuck in a small pool, and they pay the highest rates of any group that is out there, unless, unless, one happens to be self-employed.

Let us say that they were a realtor, and as a realtor they are self-employed, they are not an employee of a company, and they try to buy health insurance for themselves out in the open market again in these small State risk pools. Here it comes, $1,500 a month,

$2,000 a month. And, my goodness, if they are sick, they will not get it at all.

So what we have been proposing now for some 10 years, and the House has passed this on a bipartisan basis at least five times, is to allow businesses and self-employed individuals who belong to bona fide organizations to group together for the purposes of health insurance. Why should a realtor who belongs to the National Association of Realtors not have an opportunity, whether their State association or the national association wants to put together a package of plans and allow them to choose one of those plans that might fit the kind of coverage that they want, why would we not want to do this?

We have heard all this shtick about all these plans are lousy, they are low-cost coverage. No. These plans would look exactly like the plans that big companies and unions offer today. Everybody in America wants to work for a big company or a union. Why? Because they have got great health benefits. And why do they have great health benefits? Because that is what their employees and that is that their members want. People do not want to go out and buy low-cost coverage that does not cover anything. That does not accomplish anything.

So when we look at the opportunity for small businesses to go out and to be able to purchase health insurance for their employees, just like a big company or just like a union under the same set of rules, the same set of rules for small companies that big companies have today, we should not let the perfect become the enemy of the good. This will not solve the problem of all 45 million of the uninsured, but it will help millions of Americans who work for small businesses have a better opportunity at getting good health coverage at competitive prices.

We have heard an awful lot of talk about it does not have this mandate, that mandate, that mandate. And why do big companies who do not have to have any mandated coverages under ERISA, why do they provide those? Why do they have breast cancer screening? Why? Because it makes sense to screen for this to detect it early and to deal with it. Why do they have these benefits that are not mandated? Why? Because they make sense to find out early in the illness.

These small companies are going to have the same types of high-quality plans that big companies have today without State mandates, because what happens is every State has a mandate. Some of them have as many as 30 mandated benefits that drive up the cost of health insurance and drive the number of uninsured up as well. But companies that offer a lot of these benefits, they do so with, as an example, a breast cancer benefit that covers the whole country, one size, not 50 different States done in 50 different ways that they have to find out exactly how it is going to be covered in each of those 50 States.

I have no doubt that the policies that will be offered by these association health plans will, in fact, be high-quality policies at very competitive prices.

As I said before, this bill has passed the House on a number of occasions with broad bipartisan support, and I expect that will occur again today. So I would ask my colleagues to stand up and vote. We hope that the other body will eventually take this bill up and move it and to help reduce the number of uninsured Americans that we have.

Mrs. CHRISTENSEN. Mr. Speaker, I rise in strong opposition to the Small Business Fairness Act, which is not fair any place, but in its name, and in strong support for the Kind-Andrews substitute.

As a 5-term member of the Small Business Committee, I know and am very concerned that 60 percent of the uninsured are employees of small businesses.

We all want to make sure they are covered, but H.R. 525 will not do that, it is an empty promise.

Worse, it would more likely increase the number of uninsured instead of reduce them. Even for those who might be covered. This bill is designed to provide great coverage if you don't need it, but please don't get sick—what it provides then is a false sense of security.

The stories of individuals with similar low cost plans in States with little regulations are tragic, and must not be replicated as H.R. 525 would do.

AHPs specifically remove State consumer protection laws and appeal rights. It is fool hardy to think that the market will provide any protection, and our experience with the Department of Labor and hearings with the Secretary have added no reassurance.

People of color, who make up a sizeable portion of small business employees and who tend to be sicker because this government will not build fairness and equality into our healthcare system, will get the shortest end of the stick again. Because of the higher costs of taking care of them, minorities will be left out, and left behind.

There is nothing fair about this bill, I urge my colleagues vote "no" on 525 and vote for a bill that provides insurance relief to small businesses, keeps the cost low, and protects the consumer. I urge my colleagues to vote "yes" on the Kind/Andrews substitute. The only fair bill before us at this time.

Mr. REYES. Mr. Speaker, I rise in opposition to H.R. 525, the Small Business Health Fairness Act, but in strong support of meaningful measures to help small businesses offer affordable, quality health care coverage to their employees.

For many businesses in my congressional district and across the country, the rising cost of health insurance is a growing crisis. Currently, many small businesses devote significant resources to offer health insurance to their employees—money they could have otherwise invested in their businesses. Others have had to reduce or drop coverage entirely.

While I agree that we must find a solution to this problem, H.R. 525 is not the answer, for several reasons. First, supporters of H.R. 525 claim the legislation would reduce the number of uninsured. However, a recent Urban Institute survey states that the number would actually increase, because some small employers in the State-regulated market would be forced to drop coverage when premiums increase as a result of the creation of Association Health Plans, AHPs.

Second, AHPs would be exempt from State rules that limit how much and how often premiums can be increased, making it likely that premiums would go up rather than down. In fact, the Congressional Budget Office estimates that AHP legislation would result in higher premiums for 80 percent of small employers, and as many as 100,000 sick people would lose coverage because they would not be able to afford the increases.

Finally, AHPs would mean that consumers would lose important health benefits, such as treatment and care for diabetes, child immunizations, cancer screenings, and preventive care. Consumers would lose State-based patient protections such as direct access to specialty care, emergency care, and the right to an independent, external review of denied medical claims.

Instead of this flawed bill, I support the substitute offered by Representatives KIND and ANDREWS. This legislation would expand the health care options available for small businesses by building on the efforts of many State governments that are providing health care plans specifically for small businesses. Under the substitute, Federal and State health insurance pools would be created for small businesses to band together to purchase coverage. Participating businesses would be able to defray the costs of their participation through a 4-year tax credit provided under the legislation. By grouping small companies in healthcare pools, this bill would give small firms some of the same advantages large corporations have in trying to keep costs down.

Mr. Speaker, I urge my colleagues to oppose the Small Business Health Fairness Act, and instead support real relief for small businesses trying to meet the health care needs of their employees by voting for the Kind-Andrews substitute.

Mr. LARSON of Connecticut. Mr. Speaker, I rise today in opposition to H.R. 525, the Small Business Health Fairness Act of 2005. Today we face a problem. An estimated 45 million people are without health insurance. The number of uninsured has risen in almost every year since 1989 and is expected to continue its rise in the near term. Most people in the U.S. who have health insurance obtain it through their employer or a family member's employer as a workplace benefit. Due to the rising cost of health coverage, small employers are far less likely than larger employers to provide health insurance to their workers and almost half of the uninsured work for, or are family members of employees who work for, small employers. The Small Business Health Fairness Act would not address this problem.

As a former small business owner, I understand the need for employers to offer benefits like health insurance to attract the best employees. I also understand the desire to offer benefits to employees to reward them for their efforts in making their business a success. Small businesses are a vital part of our economy, and it is critical that we provide them with affordable heath coverage that not only covers their employees, but helps reduce the ranks of the uninsured in our Nation.

Unfortunately, the association health plans created by H.R. 525 would actually reduce

health care benefits and coverage. In fact, the Congressional Budget Office estimates that only 600,000 of the 45 million uninsured would receive coverage as a result of this bill. The CBO also found that almost 75 percent of workers would actually see their premiums rise. These numbers are evidence that this legislation will not address the problem.

The bill raises numerous other concerns as well. It would create an uneven playing field where Federal law would provide one set of favorable rules for employers who join association health plans and a different, less favorable set of rules for those who do not. Association health plans would be exempt from most State benefit requirements, including those that ensure access to emergency services, mental health services and cancer screening. They would be free to choose healthier individuals who are cheaper to insure and leave behind those most in need of health care coverage. Finally, association health plans under this bill would be allowed to license themselves in a State with looser consumer protection provisions than the State they offer coverage in, leaving consumers open to fraud and abuse. These loopholes will not address the problem.

However, today we will offer a real solution to this problem. The substitute amendment offered by the gentleman from Wisconsin, Mr. KIND, and the gentleman from New Jersey, Mr. ANDREWS, would address the needs of small businesses by providing them with the same access to health benefits as Federal employees through a Small Employer Health Benefits Plan. This plan would provide coverage to all small businesses and their employees, ensuring that every worker gets the coverage they need regardless of age, sex, race or any other factor. Additionally, it would commit Federal funds to aid small businesses in offering health insurance to employees. Finally, it would work within existing State laws and not preempt state regulations regarding health care coverage. This substitute will help small businesses more, cover more of the uninsured, and protect the rights of States.

Unfortunately, without the Kind/Andrews amendment, I cannot support the Small Business Health Fairness Act. This is the fourth time the House has voted on association health plans and the fourth time it has been the wrong answer for small businesses and the uninsured. This is just another example of the Majority bringing the same legislation to the floor year after year knowing that it will go nowhere because it is the wrong answer for Americans. I urge my colleagues to join me in supporting the Kind/Andrews amendment, which would provide real solutions to help our Nation's small businesses and cover the 45 million uninsured Americans.

Mr. MANZULLO. Mr. Speaker, as the chairman of the Small Business Committee, our Nation's small business men and women tell me over and over that finding accessible and affordable quality health care is their number one priority for themselves and their employees.

I have heard from thousands of small employers in America who have been pleading for options to help them manage their surging health care costs.

Small business owners tell me regularly how they struggle to provide their workers health insurance, but each year they face double digit increases.

''Mom and Pop'' businesses tell me how they want to provide healthcare for their employees, but every single year it gets more difficult.

Many are giving up. Our Nation's entrepreneurs, whose ingenuity and hard work ethic have driven the American economy, have run out of options to battle this crisis. They need our help.

And today, we bring forward a great option—Association Health Plans—to help them control these outrageous costs and continue offering vital health insurance to their employees and their families.

In March of this year, I held a hearing on AHPs. The Coca Cola Bottlers Association testified they have long offered AHPs.

However, in 1990, they had to stop offering AHPs to members with under 100 employees because of the disparity of law from State to State. Those small employers have incurred increased premiums of between 20–25 percent per year.

For those bottlers employing over 100 workers and who still were able to maintain an AHP, they only had an average increase of 9 percent a year.

The proof is irrefutable. AHPs work. I urge all of my colleagues to support H.R. 525. Give hope to America's entrepreneurs. Vote for H.R. 525.

Mr. ENGEL. Mr. Speaker, the so-called Small Business Health Fairness Act is anything but fair. Congress should not be in the business of promoting the reduction of healthcare benefits and coverage and that is exactly what this bill does.

Proponents of H.R. 525 argue that health insurance will be cheaper under this bill, but the devil is in the details. Healthy people would enjoy low premiums under association health plans because the plans are exempt from State consumer protections and minimum quality requirements, and therefore meaningful coverage. Without consumer safeguards, association health plans would be largely unregulated and unlikely to cover such benefits as mammography screening, cervical cancer screening, well-child visits, mental health services and diabetic supplies. While this might appeal to healthy people, it will be devastating to those who actually need medical care. Those who are sicker would remain in non-association health plans and would have to pay higher premiums to compensate for those individuals who are siphoned off into the association health plans.

It is also troublesome that this legislation exempts association health plans from State solvency standards. Many States have strict solvency laws that protect workers from insurance fraud and abuse. Any meaningful insurance company should have to adhere to adequate standards of protection.

We should reject this anti-consumer proposal in favor of the Kind/Andrews substitute. This measure would create a Small Employer Health Benefits Plan, SEHB, similar to the Federal Employee Health Benefit Plan and would offer coverage to all small businesses with fewer than 100 workers. Significantly, this legislation works with existing State laws and does not preempt State mandates regarding health care coverage. This substitute very clearly commits Federal funds to aid small businesses in offering insurance to employees.

True health insurance coverage offers meaningful benefits with appropriate solvency safeguards. Our constituents deserve no less. I urge my colleagues to reject H.R. 525 and pass the Kind/Andrews substitute today.

Mr. MORAN of Virginia. Mr. Speaker, I rise in support of the Small Business Health Fairness Act, H.R. 525, which will allow small businesses and associations to band together to purchase health insurance coverage for their workers and their families.

The Small Business Health Fairness Act can directly benefit the over 2,300 small businesses and associations in my congressional district and their employees.

H.R. 525 would allow AHPs and small businesses to be certified under one Federal law, instead of 50 different State regulations.

Like large employers and labor unions that offer health insurance to their employees and members, AHPs would be regulated by the U.S. Department of Labor.

Many opponents of the Small Business Health Fairness Act claim that AHPs will ''cherry pick'' and therefore only benefit healthy people. This is not true.

All AHPs must comply with the Health Insurance Portability and Accountability Act, which prohibits group plans from excluding high-risk individuals that have required repeated health insurance claims.

H.R. 525 also guarantees that only bona fide professional and trade associations can sponsor an AHP. This measure ensures that AHPs will undergo a strict, new certification process before they will be allowed to offer health benefits to employers. This new certification process includes stronger solvency standards, including stop-loss and indemnification insurance.

Studies have shown that AHPs would save the typical small business owner between 15 percent and 30 percent on health insurance.

Currently, there are 45 million Americans who are uninsured. Even more troubling is the fact that 60 percent of uninsured Americans work for small businesses that lack the resources to provide health care benefits to their workers.

In fact, 65 percent of small-business owners indicate high cost as the main reason why they do not offer health insurance.

Small employers are facing 50 percent premium hikes, even as many insurers are leaving the small group market because it is not profitable enough.

The time to offer small businesses and associations the ability to band together to offer health insurance to their employees is now.

The Small Business Health Fairness Act represents a first step in helping to lower the number of uninsured Americans, many of whom work for small businesses.

H.R. 525 would introduce more competition into the market, reduce unnecessary regulation and administrative costs and make health coverage more affordable for small employers and their employees.

I urge support of H.R. 525.

Mr. BLUMENAUER. Mr. Speaker, it is unfortunate that while we are in the midst of a healthcare crisis for the uninsured, for small businesses, and for practitioners, Congress is recycling the same flawed legislation. The proposal would allow association health plans to bypass the State solvency framework requirements, leaving the consumers at a significant risk.

The reason that over 1,350 business, labor, and community organizations oppose H.R.

525—including organizations such as the National Governors Association, 41 Attorneys General, the National Association of Insurance Commissioners, Blue Cross/Blue Shield, National Small Business United and 69 local Chambers of Commerce—is because it not only misses the point, it will make things worse.

The bill would undermine our efforts to provide essential services to everyone by providing incentives to insure only the healthiest and wealthiest, leaving the vast majority of over ½ million uninsured Oregonians and 45 million uninsured Americans behind. Even worse, the adverse selection process will mean that the insurance pool will be narrower and sicker, resulting in more expensive insurance for most families. Furthermore, the Congressional Budget Office estimates that 8 million individuals who currently have health coverage will be switched to a lower benefit plan. Consumers may be denied the proper screening, procedures and treatment they deserve.

These are critical issues for taxpayers and businesses alike. I will continue to work with the healthcare and business community to produce the type of process, discussion and legislation Americans critically deserve.

Mr. STARK. Mr. Speaker, I rise today in strong opposition to H.R. 525, the regurgitated association health plan, AHP, bill. This is the fourth vote on this exact same legislation in as many years. So, if my statement sounds familiar, that's because it has all been said before.

While they've titled the bill the Small Business Health Fairness Act, its impact would be the opposite. This bill would have the perverse effect of increasing the cost of health insurance for many people and increase the number of people without health insurance altogether.

This bill would allow new entities, called association health plans, AHPs, to bypass State regulation and offer bare-bones health insurance policies. Small businesses that don't choose to offer these inadequate policies would see their premiums increase by 23 percent on average. This premium hike would occur because AHPs, which would offer only bare-bones coverage, would attract the healthiest individuals, leaving traditional health insurance plans with the sickest and most expensive patients. This shift would penalize businesses with sicker employees, and make health insurance for those who need it the most even more unaffordable.

Further, this legislation would swell the ranks of the uninsured by over 1 million more individuals. As traditional health insurance becomes increasingly expensive, more and more businesses would have no choice but to drop health insurance for their employees, leaving these individuals with little or no opportunity to purchase health coverage.

Contrary to what proponents of this bill claim, AHPs would not truly help small businesses purchase health insurance for their employees. Although proponents claim that AHPs would give small employers bargaining power to purchase affordable health insurance, most States already have laws in place that allow for group purchasing arrangements. This bill would only harm existing laws while usurping the traditional role of States to regulate insurance.

In fact, this bill would override key State laws and regulations that protect millions of Americans. For example, many States regulate insurance premiums to prevent insurers from discriminating against the ill. But under this bill those laws wouldn't apply. AHPs would be allowed to offer extremely low, ''teaser'' rates, and then rapidly increase the premium if the enrollee becomes sick. Furthermore, nearly all States have enacted external review laws that guaranteed patients an independent doctor review if a health plan denies them coverage for a particular service. Patients who join AHPs would lose this vitally important consumer protection.

This bill also exempts AHPs from State laws that require health insurance to cover particular benefits. These laws have helped to ensure that millions of Americans get access to the healthcare that they need—such as mammography screenings, maternity care, well-child care, and prompt payment rules. In my State of California, employees who join AHPs could well lose access to these services as well as certain emergency services, direct access to OB/GYNs, mental health parity, and other important benefits. Moreover, this law would allow health plans to ''gag'' doctors, the currently illegal practice of health insurers preventing doctors from discussing treatment options that the plan does not cover, even if some of those options are in the patient's best medical interest.

The problems go on. AHPs are likely to create new fraud and abuse problems in health care as well. These plans are very similar to multiple employer welfare plans, MEWAs, that Congress created in the 1970s. MEWAs were also exempt from State insurance regulation. The Department of Labor found that many of these plans were frauds and left their enrollees holding the bag for more than $123 million in unpaid health expenses. Congress had to come back and clean up the law to end this blatant abuse. We should learn from that mistake, not repeat it.

This bill is bad for patients, bad for small business, and bad for States. It is opposed by more than 1,300 organizations, including the National Governors Association, the National Association of Insurance Commissioners, the American Academy of Actuaries, local Chambers of Commerce, small business associations, physician organizations, labor unions, and healthcare coalitions.

The Senate has no intention of taking up this legislation. It's bad policy, and our colleagues on the other side of the Capitol know it. Taking yet another vote on AHPs is an enormous waste of time and taxpayer resources, and has nothing to do with providing affordable healthcare options to our citizens. Health care reform shouldn't raise premiums, increase the number of uninsured, lead to massive fraud, and remove key State patient protections. I urge my colleagues to reject this legislation once and for all.

Mr. SHUSTER. Mr. Speaker, I rise today in support of the Small Business Health Fairness Act, H.R. 525. This legislation is a prescription to provide quality, affordable health care to the Americans who need it most: 45 million people from working families across the country.

By lowering costs and strengthening bargaining power, Association Health Plans, AHPs, would allow small businesses to band together through associations and purchase quality health care for workers and their families at a lower cost. Small businesses currently have little buying power and few affordable options—five or fewer insurers control at least three-quarters of the small group market in most States, according to a GAO report in 2002. By banding together through bona-fide trade associations, AHPs would level the playing field and give participating small employers the exact same advantages Fortune 500 companies and unions currently enjoy.

It is important to note that this legislation does not make AHPs a mandatory program for employers. AHPs are about choice and healthy, competitive options for those seeking quality coverage. Each business would have the option of remaining with their current insurance provider, if they have one, or joining up with a legitimate, certified, and regulated association that is able to pool risk and offer small businesses a seat at the table when it comes to really being serious about providing health care for American workers.

Contrary to opponent's claims, H.R. 525 provides safeguards against fraud and abuse with a strict, new certification process that must be adhered to before any association can offer health benefits to employers. Included are strong solvency protections that go beyond what is required of single employer and labor union plans under current law. The bill requires self-insured AHPs to maintain reserves that are sufficient for unearned contribution, benefit liabilities, expected administrative costs, and any other obligations. With the reserve levels required to be recommended by a certified actuary who is a member of the American Academy of Actuaries, AHPs are designed to protect the employer from fraudulent abuse and those who would seek to take advantage of the system.

Under this bill, regulated by the Department of Labor and current ERISA and HIPPA laws, AHPs would be prohibited from excluding high-risk individuals from their plans and AHPs would also be barred from charging higher rates for sicker individuals or groups within the plan.

The lack of current competition in the health care market contributes to double-digit rate increases for many small businesses and a resulting rise in the number of small business employees who are uninsured. Too many small business owners and employers are forced to choose between offering health care benefits to their employees and hiring, expanding, or even maintaining their business. With the adoption of AHPs, the door of opportunity is opened to millions who do not currently have access to the kind of quality, affordable health care America's working families deserve.

Mr. Speaker, I would strongly encourage my colleagues in joining me and voting in favor of H.R. 525.

Mr. AKIN. Mr. Speaker, I rise today in support of H.R. 525, the Small Business Health Fairness Act of 2005.

In 2003, there were an estimated 45 million Americans without health insurance. Small businesses employ over 60 percent of those currently uninsured.

Without question, cost is often the biggest barrier to affordable health insurance for small businesses. Too often, I hear from small businesses owners back in my district in Missouri that the affordability of health insurance is their number one concern. This problem has been deepened in recent years as the overall cost of health care has risen. While large employer-sponsored health plans have seen an average 12-percent increase in health insurance premiums, small businesses have been

faced with annual premium increases of up to 50 percent, forcing many firms to drop coverage altogether.

By allowing small firms to join an association health plan as H.R. 525 would do, small employers would enjoy greater bargaining power because they would become part of a larger bargaining force, enabling them to offer their employees the same advantages and benefits that are currently available to larger companies.

I doubt that many of my colleagues here would deny the fact that small businesses are leaders in innovation. They pay the majority of our Nation's taxes and employ the majority of our Nation's workforce. Yet we have burdened them with excessive regulations to the point that they cannot afford to provide health insurance to their employees. We must not deny quality, affordable health care to these hard-working Americans who want to safeguard their own health and provide their families access to such protections.

I urge my colleagues to support the Small Business Health Fairness Act.

Mr. WELDON of Florida. Mr. Speaker, an issue I often hear about from my constituents is concern about the high cost of health insurance and the need for affordable insurance coverage. We all know health insurance premiums continue to increase substantially each year. As such, many small businesses are unable to afford health insurance for their employees. Furthermore, for those who can afford insurance for their employees, rising costs make U.S. products more expensive, harming U.S. competitiveness and costing American jobs.

Small businesses are the backbone of our economy, but the financial viability of many small businesses is being hurt by the escalating costs of health insurance. This hurts job creation and economic growth. The U.S. Small Business Administration's Office of Advocacy found that administrative expenses for small health plans make up about 35 percent of total costs. This is not good for small business owners, their employees, or the American economy. Congress must address this problem, which is why I support H.R. 525, the Small Business Health Fairness Act.

By passing H.R. 525 Congress will be leveling the playing field between small businesses, the self-employed, and large corporations. This allows organizations of individuals and businesses to enter into Association Health Plans, AHPs. Under AHPs, small business can pool their resources and purchase group health care similar to the way large corporations do today. They can get better bargaining power in terms of costs and benefits for their employees. It gives workers, who do not have health insurance today, the opportunity to obtain health insurance coverage.

Whether it is a small business a trade association, a farm bureau, or a local community organization that is seeking to purchase more affordable health insurance, this legislation will help them. They can join together with other groups and purchase health insurance at much more affordable rates and have better negotiating power with insurance providers.

It is generally reported that there are over 40 million people in America without health insurance at any given time. According to the Congressional Budget Office, a more accurate estimate of the number of people who were uninsured for all of an entire year is 21 million to 31 million. Regardless, almost 60 percent of those individuals are employed by a small business. As health care costs increase, fewer employers and working families will be able to afford coverage, and more Americans will be without health insurance. Those who work for small businesses should have the same type of access to health insurance that their counterparts in large corporations already enjoy.

I urge Congress to pass H.R. 525. Congress must pass this bipartisan legislation to give much needed relief to American small businesses, farmers, and hard working families.

Mr. SHAYS. Mr. Speaker, I rise in support of H.R. 525, the Small Business Health Fairness Act. This legislation would allow small businesses to pool their resources into what are known as Association Health Plans, AHPs, to purchase health insurance.

Pooled alliances, including AHPs, help control health care costs by permitting individuals to use their collective bargaining power to win cost concessions from insurance companies.

These alliances also achieve economies of scale for administrative functions—substantially cutting overhead costs, which currently amount to between 30 and 40 cents of every premium dollar paid by small businesses to insurers.

Purchasing alliances have been a popular response in many States to the problems many self-employed and small business owners have had securing affordable health insurance for themselves or their employees.

While I sensitive to the concerns many disease advocacy groups have about this legislation, the fact is this legislation provides the same exemption from State benefit mandates for small businesses already enjoyed by large employers.

The cost savings from avoiding benefit mandates has been estimated to be between 4 and 13 percent. This could make a huge difference for small businesses looking to offer their employees health insurance. Because small businesses are extremely cost-sensitive, studies indicate that even a 5 percent reduction in costs will result in a 10 to 15-percent increase in small businesses offering health insurance.

The legislation also protects against these plans ''cherry-picking'' the healthiest employees by restricting the ability of self-insured health plans to be qualified as an AHP. Unless a self-insured plan is in existence before the date of enactment, it would be required to offer membership to a broad cross-section of trades or to employers representing at least one higher-risk occupation.

Additionally, AHPs must comply with the Health Insurance Portability and Accountability Act, which prohibits group health plans from excluding high-risk individuals with high claims experience.

The bottom line is this legislation will help small businesses, which are the engine in our economy, provide health insurance to their employees. I urge the passage of this bill.

Mr. HONDA. Mr. Speaker, I rise today in strong opposition to the Small Business Health Fairness Act, H.R. 525. This bill would not only fail to expand health coverage for the uninsured, but would actually reduce health care benefits and coverage for 8 million individuals who would be switched to lower benefit AHP health plans. Only 1 percent—600,000 people—of the 45 million uninsured Americans would be provided new coverage by AHPs.

Instead of providing broader access to comprehensive health insurance for the millions of uninsured Americans, H.R. 525 will undermine access to quality, affordable health insurance and may actually increase the ranks of the uninsured. Under current law, the majority of health insurance plans are regulated at the State level. States have enacted a number of protections to ensure the fairness of health insurance coverage for patients. Most States now require insurers to allow direct access to emergency services, independent external appeal of health care claims denials, and access to an adequate range of health professionals. AHPs would be exempt from these requirements, leaving those with AHP coverage with inadequate protection.

Insurers naturally have incentives to select the healthiest individuals or groups that are seeking coverage. State regulations counter this incentive by mandating that certain benefits be covered, and by limiting and defining how policies are to be priced. By exempting AHPs from these State regulations, AHPs would offer less-generous policies that would be attractive to healthier individuals and groups. By permitting AHPs to offer coverage to specific types of employers, the bill allows them to hand pick populations that are better risks and therefore less costly to insure. Under H.R. 525, AHPs would offer different premiums to each member employer, charging lower rates for lower risk persons and charging much higher rates for higher risk persons.

The only restriction on premiums is that differences could not be based on health status. This provision is essentially meaningless because it permits AHPs to accomplish the same goal by varying premiums based on age, sex, race, national origin, or any other factor in the employers' workforce, including claims experience. As a Nation, we have recognized and are committed to eliminating health disparities based on race, ethnicity, and national origin. Why then would we create laws that perpetuate and encourage further health disparities?

Small businesses comprise nearly one-third of the private sector workforce, and are much less likely than large firms to provide health coverage for their employees. Although this is a serious concern, AHPs are not the answer. The Kind/Andrews substitute offers provisions that would address the real health insurance needs of small employers. It would provide small employers the same access to health benefits as Federal employees by establishing a Small Employer Health Benefits Plan, SEHB, similar to the Federal Employees Health Benefits Plan. It offers coverage to all small employers and their employees to apply for coverage under SEHB. Those working less than full-time would be eligible for pro rata coverage. It would also minimize adverse selection, use State-licenses insurers without preempting State laws, provide a minimum benefit package similar to Federal employees, and provide premium assistance to make employee and employer premiums affordable.

I urge my colleagues to support the Kind/Andrews substitute and oppose the Republican leadership's flawed approach to AHPs.

Ms. SCHAKOWSKY. Mr. Speaker, I rise today in support of the Kind/Andrews substitute and in strong opposition to H.R. 525, the Small Business Health Fairness Act of 2005. We have the opportunity to give small business owners and employees meaningful

access to affordable and comprehensive coverage by adopting the Kind/Andrews substitute. Or, by passing H.R. 525, we can give access to cheap, flimsy insurance policies that will not provide meaningful protection and leave those who need better coverage far worse off.

All of us are concerned about the high cost of health insurance, particularly for small businesses. We all agree that we need to allow small businesses to band together to achieve economies of scale in purchasing coverage. The Kind/Andrews substitute would give small businesses the ability to pool together through a Small Employer Health Benefits Plan. It would provide premium assistance to make coverage affordable for small business employers and employees. The Kind/Andrews substitute will guarantee that insurance policies are not worthless paper but provide meaningful access to benefits.

What the Kind/Andrews substitute will not do is preempt State consumer protection laws—laws that have been enacted by State legislatures on a bipartisan basis in response to real-life problems in the insurance market. The Kind/Andrews approach would benefit employers and consumers. The so-called Small Business Health Fairness Act of 2005 would not. In fact, this ill-conceived bill would make the current situation worse—adding to the ranks of the uninsured, reducing benefits, and leaving small business workers with insurance policies that do not provide the care that they and their families need.

There are three fundamental problems with this bill—all of which stem from the decision to preempt State laws and leave no other protections in their place. First, the bill will not significantly reduce the number of uninsured and may actually make this crisis worse. It would preempt State insurance regulation—allowing association health plans to cherry pick healthy small businesses. Small businesses with older workers, persons with disabilities or chronic conditions, and women of child-bearing age would face higher premiums. The nonpartisan Congressional Budget Office estimates that only 620,000 uninsured workers would buy these new, barebones policies but that 75 percent of currently insured small business employees—20 million—would see their premiums increase. National Small Business United—a group whose reason for being is to promote the interests of small businesses—opposes the bill because it would increase health ''insurance premiums for small employers by up to 23 percent and cause some to drop coverage altogether. A Mercer Consultants study in 2003 found that it would actually increase the number of uninsured by 1 million. The CBO says that up to 100,000 of the most medically needy workers—those with chronic, ongoing conditions or disabilities—would be among those losing coverage.

Second, the bill would take away protections from consumers victimized by fraud and abuse. All 50 States and the District of Columbia have passed tough laws to stop abuses in the small group health insurance market. Again, these laws would be preempted. The U.S. Department of Labor is not going to have the will or the resources to respond when consumers are injured by benefit denials, AHPs go belly-up, or fraud is committed. AHP policy holders and health consumers would be left in a regulatory blackhole—with no place to turn if they are defrauded, cheated, or denied benefits. That's why the National Association of Insurance Commissioners and 41 attorneys general oppose this bill.

Third, the bill would preempt basic benefit requirements and patient protections, allowing AHPs to drop coverage for preventive services, screening, mental health and other critical services. CBO estimates that 8 million workers with health coverage today would lose benefits under H.R. 525.

In Illinois, we have enacted benefits that include mammograms, pap tests, minimum mastectomy stays, colorectal screening, diabetes education and supplies, pre- and postnatal care, mental health parity that goes beyond inadequate federal requirements, and access to cancer drugs. We have a prudent layperson rule to ensure access to emergency services, direct access to OB–GYNs, and a ban on HMOs ''gagging'' doctors in their communications with patients. We have prompt payment rules for providers and fair marketing requirements. We require that insurance companies cover newborns. Those protections would be preempted under H.R. 525.

Many of us who previously served in State legislatures fought for those benefits because private insurance policies refused to cover items like mammograms, maternity care, diabetes education, prosthetics, or chemotherapy. We had constituents whose insurance companies refused to cover their babies, arguing that conditions developed in the mother's womb were ''preexisting.'' Dropping those critical benefits will not make health care more affordable; it will simply shift costs to employees and their families. And, despite having so-called insurance, if workers cannot afford to pay those costs on their own, they might as well be uninsured. That is why groups from Consumers Union to the American Diabetes Association, from the National Mental Health Association to the NAACP oppose this bill.

I also want to point out that women have a tremendous stake in this debate. Nearly all women-owned firms are small firms, most with fewer than five employees. Women are half of all workers at very small firms. And women are the beneficiaries of many of the State benefits enacted because private insurers refused to cover critical services—mammography, pap smears, reconstructive surgery following mastectomies, contraceptive services, breast and cervical cancer screening, direct access to OB–GYNs and nurse-midwives, and osteoporosis screening. A bill that raises premiums to women-owned small businesses and cuts women's health services is no solution.

Finally, I want to respond to the arguments of the proponents of H.R. 525 that something is better than nothing. As I have mentioned, for at least 8 million people, the something that would be provided under this bill would be a policy with lower benefits than they have today, for at least 20 million it would be a policy with higher premiums than they pay today. That is hardly a good deal. But there is a more important issue at stake here. H.R. 525 says that we owe small business owners and employees nothing better than barebones coverage, an insurance policy that may be affordable but that doesn't provide access to needed medical services and is stripped of consumer protections. I believe that we can do better and that is why I support the Kind/Andrews substitute.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today in support of H.R. 525. This bill, introduced by the Employer-Employee Relations Subcommittee Chairman SAM JOHNSON, Committee Chairman JOHN BOEHNER, Small Business Committee Ranking Member NYDIA VELÁZQUEZ and ALBERT WYNN, would allow small businesses to join together through association health plans, AHPs, to purchase health insurance for their workers at a lower cost. The measure would increase small businesses' bargaining power with health care providers, give them freedom from costly State-mandated benefit packages, and lower their overhead costs by as much as 30 percent. This is a benefit that many large corporations like GM and Ford already enjoy because of their larger economies of scale.

Furthermore, this bill expressly prohibits discrimination by requiring that all employers who are association members are eligible for participation, all geographically available coverage options are made available upon request to eligible employers, and eligible individuals cannot be excluded from enrolling because of health status. Premium contribution rates for any particular small employer cannot be based on the health status or claims experience of plan participants or beneficiaries or on the type of business or industry in which the employer is engaged.

The measure makes clear that AHPs must comply with the Health Insurance Portability and Accountability Act, HIPAA, which prohibits group health plans from excluding high-risk individuals with high claims experience. Thus, it will not be possible for AHPs to ''cherry pick'' because sick or high risk-groups or individuals cannot be denied coverage. The bill prohibits AHPs from charging higher rates for sicker individuals or groups within the plan, except to the extent already allowed under the relevant State rating law.

While I support all of these positive aspects of the bill, I do have concerns with other areas. Due to this fact, I also stand today to support the Kind/Andrews substitute. This substitute would strengthen the larger goal of the legislation which is to lower health care cost for workers. The substitute does this by providing small employers the same access to health benefits as Federal employees. Under the substitute, the Department of Labor will establish a Small Employer Health Benefits Plan, SEHB, similar to the Federal Employees Health Benefits Plan, FEHB. The States also may establish State small employer health pools.

In addition, the substitute offers coverage to all small employers and their employees. In essence, all employers with fewer than 100 employees during the previous calendar year shall be eligible to apply for coverage under SEHB. Employers must offer coverage to all employees who have completed 3 months of service. Employees working less than full-time are eligible for pro rata coverage.

Furthermore, the substitute also minimizes adverse selection. This is done by requiring the Secretary to establish an initial open enrollment period and thereafter an annual enrollment period.

One of the most important things achieved by the substitute is the fact that is uses State-licensed insurers without preempting State laws. It also provides a minimum benefit package similar to Federal employees, i.e., all participating insurers must offer benefits similar to the benefits offered under the four largest FEHB health plans.

As I close, I would hope that the differences I have mentioned are reconciled as this bill moves to conference.

Mr. GENE GREEN of Texas. Mr. Speaker, I rise in opposition to H.R. 525, the Small Business Health Fairness Act.

The sponsors of this legislation have a laudable intent: To make health insurance more affordable for small businesses by allowing them to band together to increase their purchasing power and negotiate lower health insurance rates.

With costs in the private health insurance growing 12.8 percent each year, no one would disagree that our small businesses are struggling to provide coverage for their employees.

But this legislation is not the answer to the rising cost of health insurance in this country.

Mr. Speaker, the regulation of health insurance has long rested with the States.

For decades, State legislatures in each of our States have enacted State coverage mandates and consumer protections to ensure that residents of those States purchase a quality health insurance policy.

While some policies cost more than others, thanks to State regulations, consumers can be assured that all policies offer a minimum level of coverage.

In my home State of Texas, health plans must provide access to emergency services, immunizations for children, direct access to OB/GYNs, and coverage of diabetes supplies and education—just to name a few guaranteed benefits.

The State has also enacted important consumer protection laws that afford consumers external review and limit how much insurers can charge sicker groups of people.

Under H.R. 525, however, the State would have no authority to ensure that Federal association health plans provide these benefits and consumer protections.

By taking away these vital patient protections, the policies purchased under AHPs would be worth little more than the paper they are printed on.

The amendment offered by our colleagues Mr. KIND and Mr. ANDREWS would correct many of the flaws in this legislation.

Specifically, the alternative would allow small businesses to purchase insurance through a Small Employees Health Benefit Plan—similar to the Federal employees health plan.

The Kind/Andrews amendment would ensure that the quality of health plans is protected; that low income employees have assistance in purchasing policies; and that the smallest of small businesses get the additional assistance they need.

As a former small business employee charged with choosing my company's health plan, I am all too aware of the need for the assistance outlined in the Kind/Andrews amendment.

The employees choosing these health plans for small businesses most often are not human resources or insurance professionals.

The coverage and benefit mandates enacted by State legislatures ensure that small businesses won't fall victim to sham policies and that their employees can depend on quality health insurance when an illness strikes.

Because H.R. 525 eviscerates these assurances by preempting the laws enacted by State legislatures, I urge my colleagues to oppose the underlying bill and support the Kind/Andrews alternative.

Mr. BACA. Mr. Speaker, I rise in opposition of H.R. 525 and the association health plans it creates.

There are 44 million Americans who are uninsured in this country and this bill will not even affect 1 percent of them. Not 1 percent.

CBO found that only 360,000 uninsured Americans would join AHPs.

This bill in fact hurts those who enroll in the plans and will even cause healthcare costs to go up for many other Americans.

There has to be a better way to help 44 million uninsured Americans.

AHPs will not be accountable to State health regulations. This will leave consumers who enroll in these plans without protection or a right to appeal if their cancer or diabetes treatment or medicines are denied.

We cannot let AHPs become bargain basement plans that enroll only the healthiest Americans. What will happen to our sick, elderly and those with severe health conditions?

Twenty million Americans will face higher healthcare costs. Twenty million.

Health insurers will give breaks to the AHPs and charge other consumers more. Studies show that these higher healthcare costs could cause up to 10,000 Americans to become insured.

There is a better way to help small businesses and the uninsured.

H.R. 525 will not help small businesses or their employees. This is a shortsighted plan that does nothing to cover the 44 million uninsured Americans who cannot afford to get sick.

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

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

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

Mr. KIND. 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. KIND:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Small Business Affordable Health Insurance Act of 2005''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Establishment of Small Employer Health Benefits Program (SEHBP).
''PART 8—SMALL EMPLOYER HEALTH BENEFITS PROGRAM (SEHBP)
''Sec. 801. Establishment of program.
''Sec. 802. Premium assistance for small employers and their employees.
''Sec. 803. Qualified State health pooling arrangements.
''Sec. 804. Establishment of national health pooling arrangement.
''Sec. 805. Coordination and consultation.
''Sec. 806. Public education.
''Sec. 807. Funding for premium assistance and pooling arrangements.
Sec. 3. Institute of Medicine study and report.

SEC. 2. ESTABLISHMENT OF SMALL EMPLOYER HEALTH BENEFITS PROGRAM (SEHBP).

(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—SMALL EMPLOYER HEALTH BENEFITS PROGRAM (SEHBP)

''SEC. 801. ESTABLISHMENT OF PROGRAM.

''(a) IN GENERAL.—The Secretary shall establish, in accordance with this part, a program (to be known as the 'Small Employer Health Benefits Program' or 'SEHBP') providing—

''(1) access to qualified health pooling arrangements (consisting of both qualified State health pooling arrangements and a national health pooling arrangement) under which self-only and family coverage is offered to small employers and their employees, and

''(2) premium assistance to small employers and their employees to assist with the payment of premiums incurred for coverage offered under such arrangements.

''(b) LIMITATIONS.—

''(1) EMPLOYER MUST BEAR 50 PERCENT OF COST.—Premium assistance shall not be provided under this part with respect to premiums incurred for any period for coverage under a qualified health pooling arrangement unless at least 50 percent of the premiums are paid by the employer.

''(2) 10-YEAR PERIOD OF COVERAGE.—Premium assistance shall be provided under this part only with respect to coverage for the 10-year period beginning on the date the employer first begins participating in a qualified health pooling arrangement.

''(3) EMPLOYERS OFFERING OTHER HEALTH BENEFITS.—In the case of an employer who paid or incurred any expenses for health benefits for the employees of such employer during the first calendar year ending on or after the date of the enactment of this section, premium assistance shall be provided under this part only if the employer begins participating in a qualified health pooling arrangement during the 2-year period beginning on the later of—

''(A) the date of the enactment of this section, or

''(B) the first date that a qualified health pooling arrangement exists which allows such employer to participate.

''(4) PARTICIPATION REQUIREMENTS.—Premium assistance shall not be provided under this part with respect to premiums incurred for any period unless at all times during such period coverage for health benefits under a qualified health pooling arrangement is available to all employees of the employer under similar terms, except that, under regulations of the Secretary—

''(A) coverage under the arrangement may exclude employees with less than 90 days of service with the employer, and

''(B) in the case of an employee serving in a position in which service is customarily less than 1,000 hours per year, the reference in paragraph (1) to '50 percent' shall be deemed a percentage reduced to a percentage that bears the same ratio to 50 percent as the number of hours of service per year customarily in such position bears to 1,000.

''(5) AMOUNTS PAID UNDER SALARY REDUCTION ARRANGEMENTS.—No amount paid or incurred pursuant to a salary reduction arrangement shall be taken into account under subsection (a).

''(c) DEFINITIONS AND SPECIAL RULES.—For purposes of this part—

''(1) SMALL EMPLOYER.—

''(A) IN GENERAL.—The term 'small employer' means an employer who normally employed not more than 100 employees on a

typical business day during the preceding calendar year (determined under rules similar to the rules applicable under section 601(b)).

''(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the number of employees that it is reasonably expected such employer will normally employ on business days in the current calendar year.

''(C) PREDECESSORS.—The Secretary may prescribe regulations which provide for references in this paragraph to an employer to be treated as including references to predecessors of such employer.

''(D) PERMANENT STATUS AS SMALL EMPLOYER.—In the case of an employer who meets the requirements of this paragraph with respect to the calendar year in which such employer first begins participating in a qualified health pooling arrangement, such employer shall not fail to be treated as a small employer for any subsequent calendar year.

''(2) FAMILY COVERAGE.—The term 'family coverage' means coverage for health benefits of the employee and qualified family members of the employee (as defined in section 35(d) of the Internal Revenue Code of 1986, but without regard to the last sentence of paragraph (1) thereof).

''(3) QUALIFIED HEALTH POOLING ARRANGEMENT.—The term 'qualified health pooling arrangement' means a qualified State health pooling arrangement described in section 802 or the national health pooling arrangement described in section 803.

''(4) ENTITIES UNDER COMMON CONTROL.—

''(A) CONTROLLED GROUP OF CORPORATIONS.—All employees of all corporations which are members of the same controlled group of corporations shall be treated as employed by a single employer. In any such case, the total premium assistance (if any) provided to each member of the controlled group and the total premium assistance (if any) provided to its employees shall be its proportionate share of the wages paid to all employees of members of the controlled group. For purposes of this subparagraph, the term 'controlled group of corporations' has the meaning given to such term by subsection (a) of section 1563 of the Internal Revenue Code of 1986, except that—

''(i) 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears in subsection (a)(1) of such section 1563, and

''(ii) the determination shall be made without regard to subsections (a)(4) and (e)(3)(C) of such section 1563.

''(B) EMPLOYEES OF PARTNERSHIPS, PROPRIETORSHIPS, ETC., WHICH ARE UNDER COMMON CONTROL.—Under regulations prescribed by the Secretary—

''(i) all employees of trades or business (whether or not incorporated) which are under common control shall be treated as employed by a single employer, and

''(ii) the total premium assistance (if any) provided to each trade or business and the total premium assistance (if any) provided to its employees shall be its proportionate share of the wages paid to all employees of such trades or business under common control.

The regulations prescribed under this subparagraph shall be based on principles similar to the principles which apply in the case of subparagraph (A).

"SEC. 802. PREMIUM ASSISTANCE FOR SMALL EMPLOYERS AND THEIR EMPLOYEES.

''(a) EMPLOYER PREMIUM ASSISTANCE.—

''(1) IN GENERAL.—Pursuant to section 801(a)(2), the Secretary shall provide to small employers who are eligible under paragraph (3) and who elect to provide for coverage of their employees under a qualified health pooling arrangement premium assistance for premiums paid by the employer for such coverage with respect to employees whose individual income (as determined by the Secretary) is at or below 200 percent of the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by such section) for an individual.

''(2) PREMIUM ASSISTANCE SCALED ACCORDING TO SIZE OF EMPLOYER.—The premium assistance provided under paragraph (1) shall be designed so that the premium assistance equals, for any calendar year—

''(A) 50 percent of the portion of the premium payable by the employer for the coverage, in the case of small employers who employ an average of fewer than 11 employees on business days during the preceding calendar year;

''(B) 35 percent of the portion of the premium payable by the employer for the coverage, in the case of small employers who employ an average of more than 10 employees but fewer than 26 employees on business days during the preceding calendar year; and

''(C) 25 percent of the portion of the premium payable by the employer for the coverage, in the case of small employers who employ an average of more than 25 employees but fewer than 51 employees on business days during the preceding calendar year.

''(3) ELIGIBLE EMPLOYERS.—A small employer is eligible under this paragraph if such employer—

''(A) normally employed fewer than 25 employees on a typical business day during the preceding calendar year (determined under rules similar to the rules applicable under section 601(b)), and

''(B) paid such employees during such year at an average annual rate of income (consisting of wages and salary) per employee which was at or below the median income (as determined by the Secretary for the most recent calendar year for which data are available as of the end of the preceding calendar year) for an individual residing in the State in which the employer maintains its principal place of business.

''(b) EMPLOYEE PREMIUM ASSISTANCE.—

''(1) IN GENERAL.—Pursuant to section 801(a)(2), the Secretary shall provide to employees of small employers premium assistance for premiums for coverage under qualified health pooling arrangements paid by such employees in the case of employees whose family income (as determined by the Secretary) is at or below 200 percent of the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by such section) for a family of the size involved.

''(2) AMOUNT OF PREMIUM ASSISTANCE.—Such premium assistance shall be in an amount equal to the excess of the portion of the total premium for coverage otherwise payable by the employee under this part for any period, over 5 percent of the family income (as determined under paragraph (1)(A)) of the employee for such period.

''(3) COORDINATION OF PREMIUM ASSISTANCE.—Notwithstanding paragraph (1), under regulations of the Secretary, the total premium assistance to which any employee may be provided under this subsection for any period shall be reduced (to not less than zero) by the total amount of subsidies for which such employee is eligible for such period under any Federal or State health insurance subsidy program (including a program under title V, XIX, or XXI of the Social Security Act). For purposes of this paragraph, an employee is 'eligible' for a subsidy under a program if such employee is entitled to such subsidy or would, upon filing application therefore, be entitled to such subsidy.

''(4) AUTHORITY TO EXPAND ELIGIBILITY.—The Secretary may, to the extent of available funding, provide for expansion of the premium assistance program under this subsection to employees whose family income (as defined by the Secretary) is at or below 300 percent of the poverty line (as determined under paragraph (1)).

''(c) PROCEDURES.—The Secretary shall establish by regulation applications, methods, and procedures for carrying out this section, including measures to ascertain or confirm levels of income.

"SEC. 803. QUALIFIED STATE HEALTH POOLING ARRANGEMENTS.

''(a) DEFINED.—For purposes of this part, the term 'qualified State health pooling arrangement' means an arrangement established by a State which meets the following requirements:

''(1) COVERAGE PROVIDED BY HEALTH INSURANCE ISSUER.—The health benefits coverage is provided by a health insurance issuer (as defined in section 733(b)(2)).

''(2) HEALTH BENEFITS COVERAGE.—The arrangement provides health benefits coverage that the Secretary determines is substantially similar to the health benefits coverage in any of the four largest health benefits plans (determined by enrollment) offered under chapter 89 of title 5, United States Code.

''(3) GROUP HEALTH PLAN REQUIREMENTS.—The health benefits coverage provided under the arrangement meets the requirements applicable to a group health plan under this title and State law.

''(4) GUARANTEED ISSUE AND RENEWABLE.—The arrangement does not deny coverage (including renewal of coverage) with respect to employees of any eligible small employer or qualifying family members of such employees on the basis of health status of such employees or family members or any other condition or requirement that the Secretary determines constitutes health underwriting.

''(5) NO PREEXISTING CONDITION EXCLUSION.—The arrangement does not permit a preexisting condition exclusion as defined under section 701(b)(1).

''(6) NO UNDERWRITING; COMMUNITY-RATED PREMIUMS.—(A) Subject to subparagraph (B), the arrangement does not permit underwriting, through a preexisting condition limitation, differential benefits, or different premium levels, or otherwise, with respect to such coverage for employees or their qualifying family members.

''(B) The premiums charged for such coverage are community-rated for individuals without regard to health status.

''(7) NO RIDERS.—The arrangement does not permit riders to the health benefits coverage.

''(8) ACCESSIBILITY TO ELIGIBLE SMALL EMPLOYERS.—The arrangement makes such coverage available to an eligible small employer without regard to whether premium assistance is available under section 802 with respect to such employer or its employees.

''(9) MINIMUM OF TWO PLANS OFFERED UNDER THE ARRANGEMENT.—The arrangement makes available at least two alternative forms of health benefits coverage.

''(b) LIMITATION ON ENROLLMENT PERIODS.—A qualified State health pooling arrangement may provide limits on the periods of times during which employees may elect coverage offered under the arrangement, but the arrangement shall not be treated as meeting the requirements of this section unless the arrangement provides for at least

annual open enrollment periods and enrollment at the time of initial eligibility to enroll and upon appropriate changes in family circumstances.

''(c) QUALIFYING FAMILY MEMBER.—For purposes of this part, the term 'qualifying family member' has the meaning given such term in section 35(d) of the Internal Revenue Code of 1986, applied without regard to the last sentence of paragraph (1) thereof.

''(d) STATE DEFINED.—For purposes of this part, the term 'State' includes the District of Columbia, Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, and the Northern Mariana Islands.

''(e) CONSTRUCTION.—Nothing in this section shall be construed as requiring a State to establish or maintain a qualified State health pooling arrangement.

''(f) CREDITABLE COVERAGE FOR PURPOSES OF HIPAA.—Health benefits coverage provided under a qualified State health pooling arrangement under this section (and coverage provided under a National Pooling Arrangement under section 803) shall be treated as creditable coverage for purposes of part 7.

''(g) ANNUAL REPORTS.—

''(1) IN GENERAL.—Each State that offers a qualified State health pooling arrangement under this section in a year shall submit, in a form and manner specified by the Secretary, a report on the operation of the arrangement in that year.

''(2) CONTENTS OF REPORT.—Reports required under paragraph (1) shall include the following:

''(A) A description of the health benefits coverage offered under the arrangement.

''(B) The number of employers that participated in the arrangement.

''(C) The number of employees and qualifying family members of employees who received health benefits coverage under the arrangement.

''(D) The premiums charged for the health benefits coverage under the arrangement.

''(3) CERTIFICATION.—Each State that offers a qualified State health pooling arrangement under this section in a year shall submit, in a form and manner specified by the Secretary, a certification that the arrangement meets the requirements of this part.

''(h) NEGOTIATIONS TO LOWER HEALTH CARE COSTS.—The Secretary and States offering qualified State health pooling arrangements may collectively negotiate for lower prices for medical services, supplies, equipment, and pharmaceuticals for the purpose of lowering the health care costs to employers and employees served by such arrangements.

''(i) COORDINATION WITH STATE REGULATION.—Nothing in this section shall be construed as preempting provisions of State law that provide protections in excess of the protections required under this section. The Secretary shall coordinate with the insurance commissioners for the various States in establishing a process for handling and resolving any complaints relating to health benefits coverage offered under this part, to the extent necessary to augment processes otherwise available under State law.

''SEC. 804. ESTABLISHMENT OF NATIONAL HEALTH POOLING ARRANGEMENT.

''(a) IN GENERAL.—The Secretary shall provide for the offering and oversight of a national health pooling arrangement to eligible small employers.

''(b) NATIONAL HEALTH POOLING ARRANGEMENT DEFINED.— For purposes of this section, the term 'national health pooling arrangement' means an arrangement under which health benefits coverage is offered under terms and conditions that meet the requirements of section 803(a).

''(c) USE OF FEHBP MODEL.—The Secretary shall provide for the national health pooling arrangement using the model of the Federal employees health benefits program under chapter 89 of title 5, United States Code, to the extent practicable and consistent with the provisions of this part. In carrying out such model, the Secretary shall, to the maximum extent practicable, negotiate the most affordable and substantial coverage possible for small employers.

''(d) LIMITATION ON ENROLLMENT PERIODS.—The Secretary may provide limits on the periods of times during which employees may elect coverage offered under the national health pooling arrangement, but the Secretary shall provide for at least annual open enrollment periods and enrollment at the time of initial eligibility to enroll and upon appropriate changes in family circumstances.

''(e) AUTHORIZING USE OF STATES IN MAKING ARRANGEMENTS FOR COVERAGE.—In lieu of the coverage otherwise arranged by the Secretary under this section, the Secretary may enter an arrangement with a State under which a State arranges for the provision of qualifying health insurance coverage to eligible small employers in such manner as the Secretary would otherwise arrange for such coverage.

''SEC. 805. COORDINATION AND CONSULTATION.

''(a) COORDINATION OF STATE AND NATIONAL PROGRAMS.—The Secretary shall provide by regulation for coordination of the offering under this part of health benefits coverage to employees of small employers under State health pooling arrangements and the offering under this part of such coverage to such employees under the national health pooling arrangement.

''(b) CONSULTATION.—In carrying out the provisions of this part, the Secretary shall consult with the Secretary of Health and Human Services and the Director of the Office of Personnel Management.

''SEC. 806. PUBLIC EDUCATION.

''The Secretary shall maintain an ongoing program of public education under which the Secretary shall—

''(1) publicize the national health pooling arrangement established under section 804, and

''(2) assist, and participate with, the States in publicizing the qualified State health pooling arrangements established under section 803.

''SEC. 807. FUNDING FOR PREMIUM ASSISTANCE AND POOLING ARRANGEMENTS.

''(a) PREMIUM ASSISTANCE.—There are authorized to be appropriated to the Secretary such sums as may be necessary to provide for premium assistance under section 802.

''(b) GRANTS TO STATES ESTABLISHING AND OPERATING QUALIFIED STATE HEALTH POOLING ARRANGEMENTS.—The Secretary may provide for grants to States to establish and operate qualified State health pooling arrangements described in section 803. There are authorized to be appropriated to the Secretary such sums as may be necessary to provide such grants.

''(c) FUNDING FOR NATIONAL HEALTH POOLING ARRANGEMENT AND OTHER DUTIES OF THE SECRETARY.—There are authorized to be appropriated to the Secretary such sums as may be necessary to provide for the offering and operation of the national health pooling arrangement under section 804 and to carry out the other duties of the Secretary under this part.''.

(b) 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—SMALL EMPLOYER HEALTH BENEFITS PROGRAM (SEHBP)

''Sec. 801. Establishment of program.
''Sec. 802. Premium assistance for small employers and their employees.
''Sec. 803. Qualified State health pooling arrangements.
''Sec. 804. Establishment of national health pooling arrangement.
''Sec. 805. Coordination and consultation.
''Sec. 806. Public education.
''Sec. 807. Funding for premium assistance and pooling arrangements.''.

SEC. 3. INSTITUTE OF MEDICINE STUDY AND REPORT.

(a) STUDY.—The Secretary shall enter into an arrangement under which the Institute of Medicine of the National Academy of Sciences shall conduct a study on the operation of qualified State health pooling arrangements under section 803 of the Employee Retirement Income Security Act of 1974 and the national health pooling arrangement under section 804 of such Act.

(b) MATTERS STUDIED.—The study conducted under subsection (a) shall include the following:

(1) An assessment of the success of the arrangements.

(2) A determination of the affordability of health benefits coverage under the arrangements for employers and employees.

(3) A determination of the access of small employers to health benefits coverage.

(4) A determination of the extent to which part 8 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 provides premium assistance for eligible small employers (and premium assistance for employees of such employers) that provided (or would have provided) health benefits coverage in the absence of such premium assistance.

(5) Recommendations with respect to—

(A) extension of the period for which the premium assistance under part 8 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is available to employers and employees or an appropriate phase-out of such premium assistance over time;

(B) expansion of categories of persons eligible for such premium assistance;

(C) expansion of persons eligible for health benefits coverage under the arrangements; and

(D) such other matters as the Institute determines appropriate.

(c) REPORT.—Not later than January 1, 2010, the Comptroller General shall submit to the Congress a report on the study conducted under subsection (a).

Amend the title so as to read: ''A bill to amend title I of the Employee Retirement Income Security Act of 1974 to encourage small employers to offer affordable health coverage to their employees through qualified health pooling arrangements, to encourage the establishment and operation of these arrangements, and for other purposes.''.

The SPEAKER pro tempore. Pursuant to House Resolution 379, the gentleman from Wisconsin (Mr. KIND) and a Member opposed each will control 30 minutes.

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

Mr. KIND. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this morning we fortunately witnessed the successful takeoff of the latest space shuttle mission into space, and I, and I know all my colleagues, our thoughts and prayers go with that crew and their families. We wish them a successful mission and a safe return here to Earth at the conclusion of that mission.

But, Mr. Speaker, ''Houston, we have got a problem'' right here on Earth today, and that problem we all can agree to is the rising cost of health care, the impact that it is having on businesses large and small, family farmers, individual employees. It is a crisis that has been building through a number of years, and there is nothing more heart-wrenching or gut-wrenching than to speak to young parents who have a young child in desperate need of emergency medical attention, having to take that child to the hospital knowing that they do not have adequate health care coverage to provide for their sick child.

□ 1645

Today, one of the major factors for individual and personal bankruptcies is health care-related costs. There is also nothing more disheartening than speaking to the multitude of small business owners throughout this country who would love nothing better than to be able to extend affordable health care coverage to their employees; but they cannot because it is too expensive.

I think we can all agree to the fact that this is something that we have to have focused attention to alleviate the high costs of health care and the growing ranks of the uninsured, which is roughly 45 million to 48 million today. When we think about who comprises these 45 million to 48 million uninsured, the vast majority of them are working Americans, working in small businesses who cannot afford to provide coverage. Again, it is something we all recognize, because we hear about it daily when we are back home traveling in our congressional districts. So, yes, action is needed; but there is a right way and a wrong way in taking action.

A wrong way would be doing more harm than good in passing legislation and, for the previous hour, we have had a discussion in regard to the deficiencies and the shortfalls of the underlying associated health plans bill. That is why over 1,400 organizations around the country have come out in opposition to it.

But today, the gentleman from New Jersey (Mr. ANDREWS) and I are offering the right way, an alternative way, another approach to dealing with the health care crisis that our small businesses are facing, one that we believe would extend health care coverage to millions of Americans, while keeping a lid on the rising premium costs.

What it does, in essence, Mr. Speaker, is it builds upon the successful framework that the Federal Employees Health Benefits Program has offered to countless Federal employees throughout the country. It is a purchasing pool concept that they can enter into, with the competition of the marketplace and different insurance plans competing for that business that has proven to be extremely cost effective in not only extending coverage to millions of Federal employees, but also by guaranteeing the State protections and consumer protections that have been passed by State legislatures throughout the country.

Mr. Speaker, it is one of the more amazing aspects of this debate that the party that claims to be for States' rights and tries to take political advantage of saying, listen, States, we stand for you and what you decide to do on a policy level, is so quick to jettison States' rights when it becomes politically inconvenient for their political allies, and that is exactly what is going on here today with the proposed associated health plans, which will preempt and trump the public policy decisions that have been made throughout this country by State legislatures.

Now, our plan also would offer a minimum guarantee of coverage, one that the Federal Employee Health Plan currently does. It does not preempt the consumer protections and the State laws that have been passed. And the reason those State laws have been passed throughout the years is because the free marketplace and the insurance companies competing for the business were not offering this type of coverage, and that is why the State legislatures, in working with the Governors, had to pass legislation requiring certain minimal safeguards of health care coverage. So if a State legislature has felt in the past that it is necessary to require prenatal care, for instance, or to prohibit drive-through deliveries, or to require screening for diabetes, autism, cancer, they have chosen to do so; and it has made sense for those States that have.

But, instead, this one-size-fits-all approach comes in and tries to preempt what the States have been doing for many, many years.

But what is also different with our substitute is it actually offers premium support payments to make it more affordable to small businesses to offer health care coverage to their employees, something that the underlying AHP plan is silent on. Again, an analysis of our bill would show that it would actually increase the coverage of the uninsured, help premium prices come down by building on this purchasing-pool concept, but also maintaining important and safe consumer protections. There is a reason why the National Governors Association and the States attorneys general have opposed the underlying bill. It is for all of these reasons, and we would respectfully submit the right approach is the substitute that we are offering today.

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, I rise in opposition to the amendment in the nature of a substitute.

The SPEAKER pro tempore (Mr. REHBERG). The gentleman from Texas (Mr. SAM JOHNSON) is recognized for 30 minutes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the number of uninsured Americans continues to increase and health insurance costs continue to rise by double digits annually, it is clear that something must be done. I commend our friends across the aisle for coming up with a plan they think works. While I have great respect for the gentleman from New Jersey (Ranking Member ANDREWS) and the gentleman from Wisconsin (Mr. KIND), I have to disagree with them. Their substitute will have the unintended consequence of raising, not lowering, costs for small businesses trying to offer health insurance. It will impose new mandates on employers and saddle the American public with yet another government program to fund.

The proponents of the plan claim that the new ''small employer health benefits plan'' is modeled after ours here in the Federal Government. Unfortunately, unlike the Federal Employee Health Benefit Plan, health insurance provided under the Democrat substitute would be subject to more than 1,500 State mandates that make up 15 percent of the rising costs of health insurance. That increased cost would likely be funded by higher taxes, adding another burden to small businesses. And on top of that, the substitute would force small businesses to deal with a host of new mandates.

Their substitute mandates employers provide health coverage to every employee who has been employed for more than 3 months. It mandates that employers pay 50 percent of the health care premiums for employees. It mandates that they cover the dependents of their workers. More mandates are supposed to lower costs? The Democrat substitute just does not make sense.

In contrast, AHPs utilize the strengths of the employer-based system, the private market, competition, economy of scale enjoyed by large union and employer plans, and ERISA's preemption of State mandates, to lower costs. Mr. Speaker, AHPs are supported by our Nation's small businesses. The NFIB, the National Retail Federation; the National Association of Wholesalers and Distributors; the National Restaurant Association; Associated Builders and Contractors; National Association of Homebuilders; the United States Chamber of Commerce, and others are strongly supportive of this legislation.

I hope my colleagues will join me in offering assistance to our Nation's small businesses and their workers by supporting AHPs and opposing the Democrat substitute.

Mr. Speaker I reserve the balance of my time.

Mr. KIND. Mr. Speaker, at this time I yield 4 minutes to the gentlewoman from Colorado (Ms. DEGETTE), a person who certainly appreciates the role of States and consumer protection in this health care debate.

Ms. DEGETTE. Mr. Speaker, I rise today to urge a ''no'' vote on H.R. 525 and a ''yes'' vote on the Kind-Andrews substitute.

This debate is, frankly, misdirected. The question is not who recognizes that there is a health care crisis in this country and who does not. This is not a contest to see who among us truly understands that small businesses are finding themselves in an increasingly difficult predicament when it comes to providing health care insurance for their employees.

We all care about this issue, and we all have constituents who need help affording health care insurance. Small businesses, which do face unique challenges across the board compared to large corporations, are the backbone of our economy; and we should be doing more to help them. And providing better and more health care coverage is one of the biggest problems they face today.

So I ask our friends on the other side of the aisle, why do we have before us a bill that does nothing to really address the problem for small businesses and very well may end up hurting the people who we say we are trying to help? There is a reason why the National Governors Association and 41 attorneys general are against this bill. There is a reason why numerous advocacy associations, consumer groups, and others oppose this misguided legislation.

This bill has been hailed as the answer to covering many of the 45 million Americans who are currently uninsured; but in truth, a very small percentage of the population would be helped in any way. This is because association health plans would help a relatively small number of the youngest and healthiest among us who will gain access to cheap minimalist plans. But that would come at the expense of the vast majority of workers whose premiums would actually increase. It would also make it nearly impossible for those with previous health challenges or chronic diseases to obtain any coverage at all.

Let me give an example. I am the cochair of the bipartisan Diabetes Caucus in Congress. Forty-six States have mandated that insurance plans must cover diabetic supplies? Why? One little vial of strips, test strips costs $50, and insurance companies simply were not giving that benefit in the past. That is why 46 of the 50 States said, you have to pay for this. Now, if diabetics test their blood, long-term complications like heart disease, kidney failure, end-stage renal disease, all of those are eliminated; but they have to have insurance coverage for these supplies. This legislation wipes out that requirement. It says, you do not have to pay for that; you do not have to follow that State law. That is not only wrong for those beneficiaries who are diabetic; it is shortsighted in the long run for the cost of our health care system.

We need to address the real access and affordability issues that affect employees of small businesses, and the only way we can do that is by passing the Kind-Andrews substitute. This substitute will give small employers the ability to provide the same access to health benefits as Federal employees. It will also allow States to establish small employer health pools. It would also minimize adverse selection and use state-licensed insurers without preempting State laws. Sounds like a good substitute to me.

If we pass the substitute, we can make a true impact on the status of millions of uninsured workers across this country; and for that reason, I urge a ''no'' vote on H.R. 525 and a ''yes'' vote on the substitute.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. BOEHNER), the chairman of the committee.

Mr. BOEHNER. Mr. Speaker, I thank my colleague for yielding me this time to speak on the substitute that has been offered.

Now, if we think that having States regulate insurance in a small group market is a problem with state-mandated benefits, this is the mother of all complicated programs to offer health insurance, because what are we going to do? We are going to have the Federal Government do it. Now, none of us really believes that the Federal Government ought to be in the business of running big-risk pools and offering plans to small businesses.

Secondly, the bill is estimated, and it has changed from last year; last year there was a $50 billion authorization, but it is still going to cost an awful lot of money to do this bill.

One of the most damaging parts, though, is that each employer who would take part in this plan that is being offered would still be subjected to the State mandates on health insurance in their particular State. There are 1,500 State-mandated health benefits around the country. It also requires that the employer must pay at least 50 percent of the premium. In most cases, I would imagine the employer would pay far more than that of the premium; but maybe it is a small company, maybe it is five or six employees, and maybe together they decide, we want to qualify for this, but we will each pick up our own share of the cost. Why would we want to prohibit them from including themselves in this by this type of a requirement?

It also says that every employer must offer this to every employee who has worked at the company for 3 months. That seems like a very short period of time, especially in some industries where you have an awful lot of turnover where they would typically require that you wait 6 months before you would qualify. All this would do would be to drive up the cost.

But one of the most amazing parts of this substitute, we would subsidize this from the Federal Government and, for employers with 25 or fewer employees, we would give them a subsidy to help entice them into this program. And, if you qualified, you qualify for a 10-year period. Now, some small company with less than 25 employees may qualify, may get the subsidy and may, over a course of several years, become highly successful. But under this particular substitute, they would still qualify for the subsidy.

□ 1700

I do not think any of us believe that the Federal Government ought to be operating a health insurance company. There are a lot of mechanisms in the private market for this association health plan program to work. And, again, why do we want to make the perfect the enemy of the good?

The underlying bill that we have will, in fact, work. It will allow millions of Americans to get better-quality coverage at much more competitive prices than what they get today.

So let us allow the underlying bill to go forward. Let us defeat the substitute.

Mr. KIND. Mr. Speaker, I yield myself 1 minute to respond quickly, just to clarify a couple of facts.

Mr. Speaker, I have all of the respect and admiration for the chair of our committee, but a closer reading of the substitute bill would not, in fact, require a Federal-run program; rather the Department of Labor would contract out the State-licensed health insurance plans in order to administer these programs.

But we do feel that there is a requirement or a necessity to offer greater incentives and inducements for small businesses to offer this coverage. That is why we are offering a premium support program with it.

Mr. Speaker, I yield 5 minutes to the coauthor and codrafter of this substitute amendment, the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Mr. Speaker, I thank my friend, the gentleman from Wisconsin (Mr. KIND), for yielding me the time.

I think the best way to understand the difference between the plan that the gentleman from Wisconsin (Mr. KIND) and I are putting forward and the majority plan is to look at it from the point of view of one of the small business people that we keep hearing referred to over and over again here today.

My friend, the gentleman from Wisconsin (Mr. OBEY), often refers to speeches on the floor as posing for holy pictures, and I think that is what is going on here today, where everyone is embracing the small businessman or small businesswoman and saying how much we love them and care about them, and I am sure everyone does. But I think what matters is the impact of these various proposals, what the proposals would have on the small business person.

In my State the cost of insuring a family is about $14,000 a year. So let us

take a small business person that has 10 employees and is looking at a situation where he or she would have to spend $140,000 to insure each of those employees and their families if the employer was going to bear the whole cost. That is a huge amount of money, but is probably well beyond the ability of that employer to pay for.

Under the majority's bill, if we give the majority every benefit of the doubt, if we assume that the majority's bill will work exactly as they say that it will, the most optimistic forecast is the majority's bill will save 13 percent in premiums for that employer. And let us round it up a little bit and give them the benefit of the doubt further and say it will save $2,000 per employee off that $14,000.

So what would happen? We would save $20,000, and the employer would be looking at spending $120,000 to insure the families instead of $140,000. That is not going to do it. That is still far more than the person running a machine shop or a small retail store or landscaping business or a delicatessen is ever going to be able to afford. This just is not going to happen. It is not going to happen.

Our proposal is very different. It says that in a case of a small business like the one I am hypothesizing here, where you have about 10 employees, and where those employees make less than 200 percent of the poverty level, which in my State for a family of four would be about $40,000, so just about anybody making less than $20 an hour or so would be eligible for this kind of subsidy, that is most people. That is most people. Under our plan that employer, if the employer chose to do this, my friend a minute ago said that the employers were mandated to do this, that is not so. No one is required to insure their employees under this plan, but if the employer chooses to insure his or her employees, what would happen is they would get a credit of $7,000 per employee toward the cost of this health insurance, a 50 percent credit. So the price of the coverage would drop from $140,000 down to $70,000. That is still an awful lot of money. It is an awful lot of money for a person running a small business, but it puts the person in reach of maybe covering that family, particularly if they ask the family to share with copays and deductibles and their own contribution.

Now, my friend, the gentleman from Ohio (Mr. BOEHNER), the chairman of the full committee, said, my goodness, the Government will be subsidizing small employers if we do this. It is big government. Well, government already subsidizes health care for large employers, because they permit the large employers to deduct every premium dollar. And that employer is paying at the 36 or 37 percent corporate tax rate, which most of them do. That constitutes a 36 or 37 percent subsidy. So General Motors is getting a nearly 40 percent subsidy, but the person running the delicatessen or the machine shop is not. This evens the playing field.

Now, how do we pay for this? Now, the chairman knows that under the rules of the House that it would not be appropriate or germane for us to identify the source of paying for this, because it would take it outside of the committee's jurisdiction.

There are different views as to how we could pay for this. I speak only for myself when I say this, but I would note for the record that the cost of tax breaks to companies that outsource their jobs outside of the United States is $100 billion over the next 10 years. So if that machine shop, if its competitor takes all of the jobs and moves them to Malaysia or Mexico, gets a tax break for doing that, which I think is a foolish policy, if we were to repeal that tax break for companies that are outsourcing their jobs out of this country, that would go a long way toward paying for the plan that we are talking about.

That to me is a pretty good trade-off. Companies that are sending their jobs overseas would lose a tax break; companies here in America would gain health insurance.

Vote yes on the Kind-Andrews substitute.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. BOUSTANY).

Mr. BOUSTANY. Mr. Speaker, you know what we are trying to do here is to make health care more affordable, available and accessible to all Americans. It seems to me that if we are going to achieve this goal, we have to adhere to some principles, and I can think of three right off the bat that are very important. One is to provide information to the consumer; second, choices to the consumer; and, thirdly, thirdly, control to the consumer.

Now, this amendment that is being proposed seems to me that it is going to limit choice rather than create choice. And I find it odd that there is no mention of what its cost is going to be to the Federal Government in putting forth these subsidies. I think we need to know that information. I think it is very important information.

And it also seems to me that this program is going to add to the cost of health care, and not lower the cost. What we need to do is foster competition in health care, and right now 45 percent of all of the health care dollars are within governmental systems, Medicare and Medicaid and so forth. The other 55 percent is in the insurance market, and there is no competition. There is no competition in this arena. And so if we stick to these three principles I mentioned earlier, we can create competition.

It seems to me that if we are going to give subsidies, why not give subsidies to individuals to buy health savings accounts which provide those choices which will allow for an information flow to the patient, to the consumer?

And so I urge colleagues on both sides of the aisle to not support this amendment and to vote for H.R. 525, which offers a good starting point to creating competition in the health care market.

Mr. KIND. Mr. Speaker, I just recommend to the previous speaker that he should talk to any Federal employee with regard to the choices that they are offered under the Federal Employee Health Plan.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Ohio (Mrs. JONES), a person who would rather take millions of people off the ranks of the uninsured rather than add a million people into the uninsured.

Mrs. JONES of Ohio. Mr. Speaker, first of all, I want to thank my colleagues, the gentleman from Wisconsin (Mr. KIND) and the gentleman from New Jersey (Mr. ANDREWS), for offering this substitute.

I live in the city of Cleveland. We have a great organization representing many of our smaller enterprises called COSE, and COSE has come together in an attempt to provide health care coverage to small businesses.

I wanted to vote for a piece of legislation that will allow small business to have insurance policies for their people, but I did not want to vote for a plan that did not provide the same kind of coverage that everybody else has, meaning that it did not have to be responsible for State insurance regulations as did other policies.

So by presenting this amendment, the gentleman from Wisconsin (Mr. KIND) and the gentleman from New Jersey (Mr. ANDREWS) have offered me an opportunity to say to the small businesses in my community, I support you, and I want to make sure you can provide health care coverage to your employees.

What is also of particular concern to me is that offering something that does not provide the same safeguards is like offering nothing. All we have to do is go back and look at the MEWAs, the Multiple Employer Welfare Arrangement, I guess that is what they call them, the Multiple Employer Welfare Arrangements, which have been used by employers as vehicles to provide benefits. The public record is filled with instances where they have failed, left employees and employers alike with unpaid medical bills.

Mr. Speaker, the other thing that we have to look at is, and the prior speaker said something about subsidies, and you give them to people, and they do not get anything in return. We gave subsidies to the drug companies in the Medicare prescription drug bill, and they got money that they did not even have to use towards a prescription benefit. So do not talk to me about subsidizing anything.

Let us make sure that the people of America and the small businesses have an opportunity to have health care. If we do preventive health care, we would not have so many people coming into

hospitals with acute problems because they have not had any prevention.

It is so wonderful that we have a substitute that offers coverage to small employers. Vote for the substitute and vote against H.R. 525, the Small Business Fairness Act.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I reserve the balance of my time.

Mr. KIND. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee (Mr. COOPER).

Mr. COOPER. Mr. Speaker, I think the Rules Committee has made a terrible mistake here, and not the usual Rules Committee sort of mistake, because they have actually allowed to come to the floor a substitute that is so clearly superior to the AHP bill it is amazing.

Now, let my friends on the other side understand, I am not against AHPs. I am an original cosponsor of the gentleman from Texas (Mr. JOHNSON's) legislation. AHPs would be an improvement over current market conditions, which are appalling. But this plan put forward by the gentleman from Wisconsin (Mr. KIND) and the gentleman from New Jersey (Mr. ANDREWS) is better than AHPs, and let me describe some of the ways.

First, the gentleman from Louisiana (Mr. BOUSTANY) mentioned choice earlier. Under the AHP approach, the average small business might be able to offer their employees one or two insurance plans, and that employee of the small business would have no idea whether their doctor was going to be a apart of one of those plans. But under the Federal employee approach, such as the one that we enjoy in this House of Representatives, they could have 10 or 20 or more plans to choose from, and the likelihood that their physician, their caregiver, would be part of one or more of those plans increases substantially.

So when you are talking about unleashing the free market to work for the individual, the Federal Employee Health Benefits-type plan, and this would not infringe on Federal employees' benefits, but it would set up a parallel organization that small businesses could benefit from, the opportunities for the small businesses of America are magnificent under this approach.

Another key aspect of this is the substitute approach is more likely to work. AHPs are largely a thought experiment. They have never really worked anywhere. But the Federal Employee Health Benefit System has worked well for decades, 30 or 40 years of a magnificent track record of experience. It has got bipartisan support. Men and women of goodwill on both sides of the aisle know that this sort of approach works; it lowers the sales load, it increases the risk pool to the maximum size which you need for lower group rates.

It really is the fairest and best way to approach this nagging small business problem that we have had. It is also going to be more affordable, because while it lowers the sales load and increases the size of the risk pool, it is fairer to all industries.

There are probably going to be a lot of insurance companies that want to offer insurance to software companies, because those employees tend to be young and healthy. How many are going to be eager to insure older Rust Belt industries?

The tax credit approach that my friend has mentioned has had to be adjusted for purposes of this substitute, but we need to acknowledge, as my friend from New Jersey (Mr. ANDREWS) mentioned, health care is already seriously subsidized in this country. All we are trying to do is make that subsidy fairer.

I think also the substitute approach would make the system higher quality. First of all, under AHPs, there would be minimal solvency requirements. By completely overturning all State regulation, as AHPs would do, that is a truly radical approach, and while my friends on the other side may be radicals in this regard, I think they are going further than they realize. These insurance plans need to be thoroughly solvent. You need to have adequate capital requirements so that you know the insurance is going to be there when you need it.

□ 1715

I think you would have better benefits under this plan, too, because you would have more proven traditional insurance policies that I think more folks who work for small businesses are accustomed to.

Let me admit, Mr. Speaker, in closing, our approach is less famous. Why? Because we do not have every PAC and trade association in Washington, D.C. favoring this because they stand to personally benefit from promoting AHPs to their members. They are desperate for non-dues revenue for those associations.

For any tourist who comes to Washington, if you do not think these PACs and trade associations are rich enough, come visit again. You will see skyscrapers full of these folks all over town, and they would love to make money as insurance salesmen to all the small businesses in America. That is not doing justice for our folks back home.

As I say, AHPs are an improvement, but they are not as good as the Kind-Andrews approach. Please vote for Kind-Andrews.

Mr. KIND. Mr. Speaker, how much time remains?

The SPEAKER pro tempore (Mr. REHBERG). The gentleman from Wisconsin (Mr. KIND) has 9½ minutes remaining. The gentleman from Texas (Mr. SAM JOHNSON) has 22 minutes remaining.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I reserve the balance of my time.

Mr. KIND. Mr. Speaker, I yield 4 minutes to the gentleman from Rhode Island (Mr. KENNEDY), someone who understands the importance of maintaining consumer protections as we have in our substitute bill.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I thank the gentleman for yielding me time.

As we all know, we are in a health care crisis and many propose many solutions. But let us just find out the simple facts. Facts are, insurance ratings are really dependent on the notion that some people are higher risk than others. Those are the people that insurance companies love to insure. They love to insure them because if they have low risk, every dollar that they pay in terms of premium is another dollar down on their bottom line of profit. However, if you are unfortunate enough to be born with a congenital defect in your organs, if you are unfortunate to be run over by a car, if you are struck by some ailment that is out of any control that you have whatsoever, under the insurance system you are known as a risk. Simply growing old titles you as a risk.

Do you think an insurance company wants to cover you? Of course they do not.

This is a zero sum game. If some get insurance, others get zero. But the fact of the matter is we all pay. The notion that some people are going to get away from paying, meaning some small businesses are going to get away from paying, is just hogwash.

The fact of the matter is, we all know that when we pay our premiums, we are paying for someone who is uninsured. We are paying for someone who is underinsured. The way out of this problem is not to escape giving people health insurance, which this legislation does. Of course it is going to be cheaper if you do not pay for care. That should not be a surprise to any of us. That is pretty obvious. If you want to get lower insurance costs, let us just cut out treatment for cancer. That will reduce insurance costs. Let us just cut out treatment for mental health.

That is just what this act does. It says ''no State mandates'' which means all the provisions, for example, for pregnant women to be able to have at least 72 hours after giving birth, all those provisions that States have put in for consumer protection, are no longer there under this legislation because this obviates all those State requirements that the people want in their insurance coverage. By joining the insurance pool of Federal employees, we bring everyone under a community rating, which means that we all pay our share, irrespective of whether someone is healthy and young versus old and sick.

All of us should be paying our fair share unless you want to escape paying for the notion that there but for the grace of God go you. The fact of the matter is there but for the grace of God go you, someone else, and I. All of us

have an obligation to those who have needs that need that health insurance.

Why? Because it could be any one of us that is the person that is in great need. And I do not think any one of us would be denied health care coverage simply because as a human being we have greater health care needs. And that is why I believe people ought to support the Kind substitute. We ought to support people's access to the same coverage all of us as Federal Members of Congress receive.

Thank you to my good friends, Mr. KIND and Mr. ANDREWS, for yielding me this time to speak in support of this substitute, the Small Employer Health Benefits Program, which will provide a real solution for many of the forty-five million Americans without health insurance.

Mr. Speaker, our health care system is broken.

To live in a country as great and as wealthy as ours, and to have millions of hard working, employed Americans who cannot afford quality health insurance is inexcusable.

My friends from across the aisle would like the American people to believe that Association Health Plans are the only available option to relieve the burden of increased health care costs on small business owners.

However, the fact remains that Association Health Plans not only ignore the unique needs of small businesses, but will actually undermine our insurance system by allowing healthy individuals to opt out.

We shouldn't be making policy only for the fortunate. We should be making policy for everybody.

The proposed substitute, the Small Employers Health Benefits Program, would provide the same access to health benefits as the Federal Employees Health Benefits Program, FEHBP.

If we are not ready to provide an overall solution to the Nation's health care crisis, then why don't we at least extend small businesses the courtesy of providing a plan that meets the same requirements that Members of Congress and their families currently enjoy.

My colleagues on the other side of the aisle are right about one thing, small business owners are facing a crisis. Now let's provide them with a solution.

Mr. KIND. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN), a person who has built up considerable health care expertise from his position on the Committee on Ways and Means.

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

Mr. CARDIN. Mr. Speaker, I oppose the underlying bill for many reasons. Fundamentally, it violates the concept of federalism that is embodied in our Constitution, respect for our States, and the ability of our States to be able to regulate public safety issues and health issues for the people of our States.

This legislation would preempt the ability of my State and your State to protect the rights of our own citizens through regulation. That is wrong. That is the wrong usurpation of power by the Federal Government.

This underlying legislation would adversely affect the people of Maryland, and let me tell you why. Our legislature has passed small market reform. People who work for companies that are between two and 50 employees have the opportunity to purchase insurance, affordable health insurance in Maryland as a result of our small market reform. The passage of this legislation will mean the end of the small market reform and the opportunity to purchase insurance by small employers in my State. That is wrong.

We are going to be moving in the wrong direction with making affordable health insurance available for the people of this Nation.

Mr. Speaker, I want you to understand the Insurance Commissioner of Maryland is a Republican. The Governor of Maryland, who opposes this bill, is a Republican. This should not be a partisan issue. This should be a matter about the appropriate use of the Federal authority and it is being used wrong here.

I congratulate the gentleman from Wisconsin (Mr. KIND) for his substitute which is sensitive to the rights of our States. I hope Members will support the substitute and reject the underlying bill.

Mr. Speaker, as a member who is dedicated to protecting the rights of Americans who have health insurance and to ensuring that opportunities to secure affordable health insurance can be expanded, I rise in opposition to H.R. 525. Since coming to Congress, I have heard frequently from individuals who work in small business. They have spoken to me about the difficulties that result from a lack of health insurance coverage, skyrocketing premiums, and reductions in benefits. I remain committed to developing solutions that will alleviate the hardships faced by many Maryland families and small businesses.

However, the Association Health Plan (AHP) legislation we are considering on the House floor today is not a viable solution. H.R. 525 would exempt AHPs from State laws and State regulatory oversight. Through this special exemption, AHPs would be able to severely undermine the goal of greater health care access and affordability for Maryland residents. Although some supporters of this legislation claim it will benefit small employers, the reality is that H.R. 525 will only hurt the small business community.

H.R. 525 would leave the Maryland insurance commissioner powerless to protect our citizens. Under this misguided bill, unregulated out-of-state AHPs could operate in Maryland without being required to comply with health care safeguards enacted by our state legislature, such as:

Appropriate access to emergency care. The right to independent appeal of denied claims, Fair insurance premiums for small groups, Consumer marketing protections, Prevention of health plan failures due to insolvency.

Under this legislation, my constituents would not only lose their ability to demand an independent review of denied claims, but they would lose guaranteed access to important benefits such as emergency medical treatment and mammography screenings. Workers who purchase association health plan coverage—believing that they are getting comprehensive insurance—may very well find that they would still have to shoulder the costs of these essential services.

Not only would this bill be harmful to potential subscribers, it would destroy the small group market reforms already in place in Maryland. Twelve years ago, my home state of Maryland took a major step toward helping small businesses afford health insurance for their workers. Our reforms guarantee the availability of reasonably priced, comprehensive health insurance for all small employers. Specifically, Maryland requires all health insurers to sell a comprehensive standard benefit package designed by an independent commission to all employers with between 2 and 50 employees. The plan must have benefits that are actuarially equivalent to those required to be offered by federally qualified HMOs, and the average cost cannot exceed 12 percent of Maryland's average annual wage. Insurers have the option of offering additional benefits, but they must be priced separately. Insurers must use adjusted community rating to price their plans, and they cannot impose pre-existing condition limitations. The Maryland plan not only guarantees the availability of reasonably priced insurance, it also makes it easier for small employers to make "apples to apples" comparisons of health costs throughout the state.

Due to these reforms, more Maryland small businesses offer health care coverage to their employees than in any surrounding states or in the nation as a whole. Maryland's system is one in which healthy subscribers subsidize those who are less healthy. These reforms work because insurers are not allowed to "cherry pick" the businesses that have the healthiest workers. Association health plans have been outlawed in our state. The association health plan legislation before us would undermine our system by using the lure of lower premiums to attract firms whose workers have fewer health problems, firms whose employees might be willing to forgo some of the consumer protections offered under Maryland law. Businesses with older, sicker employees would remain in the state system, driving up premiums. H.R. 525 would, in effect, lead to the collapse of Maryland's system. I want to emphasize that this is not a partisan issue—AHS's are opposed by my own governor, our former colleague Robert Ehrlich, and by the National Governors' Association, and the National Association of Insurance Commissioners. I will submit for the RECORD an April 19 letter from Alfred Redmer, Maryland's Insurance Commissioner, expressing his opposition to H.R. 525.

This bill would be devastating on a national level, as well. The non-partisan Congressional Budget Office found that premiums would increase for 20 million employees and their dependents who are covered through small firms, and that 100,000 of the sickest workers would lose coverage altogether if this AHP legislation were enacted.

Passage of this legislation would be a disservice to every worker, every family, and every small business in Maryland. H.R. 525 fails to provide meaningful help for the uninsured, denies access to affordable health care for older, less healthy groups, and undermines the crucial consumer protections that our General Assembly has enacted. For these reasons, I urge my colleagues to vote against this bill.

Mr. Speaker, the following is a letter from our insurance commissioner who is opposed to H.R. 525:

MARYLAND INSURANCE ADMINISTRATION,
Baltimore, MD, April 19, 2005.

Hon. BENJAMIN L. CARDIN,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN CARDIN: As Commissioner of the Maryland Insurance Administration I am writing to express my strong opposition to federal legislation that would create Association Health Plans, AHPs. I understand such legislation, H.R. 525, has been passed, again, by the House Education and the Workforce Committee and may soon come to the floor of the House for a vote. H.R. 525 would allow AHPs to form and operate in Maryland outside the authority of my office and beyond the reach of proven State consumer safeguards and solvency laws. If enacted into law, this could do irreparable harm to our small group market and strip our citizens of critical protections.

Altough I share the sponsor's concern for the growing number of small business employees who cannot afford adequate coverage, the fact is this legislation would do little, if anything to address this problem. H.R. 525 ignores the root cause of the current crisis—skyrocketing healthcare spending. Unless spending is brought under control no attempts to increase competition or enhance options for small business will truly make insurance affordable and, thus, promote coverage.

Even more troubling is the harm the legislation would do to consumers, H.R. 525 would: (1) permit risk selection thereby creating opportunities for ''cherry-picking'' among healthier groups; (2) allow inadequate capital standards and solvency requirements, both of which are inferior to existing State standards; (3) eliminate proven State consumer protection laws, including those designed to allow consumer appeals of adverse plan decisions and those aimed at preventing and fighting fraud; and (4) allow AHPs to ignore State benefit requirements. To add insult to injury, while longstanding State oversight and consumer protections would be eliminated, H.R. 525 provides no additional resources to the Department of Labor to regulate AHPs or help consumers.

I remain committed to improving access to affordable insurance for small business owners and workers in Maryland. Together, we can find solutions that will be effective and not lead to greater problems in the future. H.R. 515 is clearly not the answer and I urge you to oppose it.

Sincerely,

AL REDMER, Jr.,
Insurance Commissioner.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield 30 seconds to the gentleman from Louisiana (Mr. BOUSTANY).

Mr. BOUSTANY. Mr. Speaker, I would like to engage the gentleman from Wisconsin (Mr. KIND) in a colloquy.

My question is, I think we need to know this information, what is the cost of your amendment to the Federal Government?

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

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

Mr. KIND. We are waiting to get a cost estimate back, but based on two previous debates on this issue, it was comparable to the amount of money set aside for the health savings account that has been a part of this bill in the past, but is not this year.

Mr. BOUSTANY. I think we need to have that information. I am all for choices and the gentleman's plan is intriguing, it is interesting; but I think it may be premature.

Mr. SAM JOHNSON of Texas. Mr. Speaker, do I have the right to close?

The SPEAKER pro tempore. Yes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, I think there is wide agreement, bipartisan agreement that we have got a serious issue on our hands, a huge challenge that is facing our Nation, that is, rising health care costs and the impact it is having on economic growth, the opportunities for businesses large and small to grow and hire additional workers. I think it is one of the main reasons why we have experienced such anemic job growth in this country in recent years, because of the hesitancy of so many businesses, especially small businesses to hire additional workers because of the associated rising health care costs. It is something that we must address in order to deal with an expanding economy at a rate that we would all like to see, but also to get a grip on the stagnant wages right now that are holding so many of our workers back.

I think there is a direct cause and effect whereas the typical worker's wages have been frozen in effect in recent years because of the additional costs coming out of their pockets to afford health care. That is why, again, we have had an important debate today, but it is one we should be working on in a bipartisan fashion to address the underlying causes.

Volumes have been written about the underlying associated health plan that is before us today. And, unfortunately, the verdict is in and that verdict is this is just bad public policy. That is why so many of the Governors and so many of the attorneys general, and the commissioners of insurance, the Association of State Legislatures in a bipartisan fashion have roundly criticized and condemned the underlying associated health plan, because they feel as we do on this side that it will do more harm than good.

I understand and appreciate the motivation on the other side to try to move forward on this issue. But we are stuck. The wheels are stuck in the mud, and it is just spinning because it is not getting any traction. And that is because the Senate in their analysis of the underlying bill has found that it, too, is bad public policy. And I am afraid we are going to have this debate today, it is going to expire and it is going to get stuck with no progress being made.

Perhaps there may be some deficiencies in what we are offering in our substitute, just as we believe there are deficiencies in theirs. But now is the time for us to come together to try to find some common ground so we can make progress and deal with this issue that is affecting more and more Americans every year.

One of the issues that really has not received that much attention, and I would just like to close on and highlight it, is again the fact of the Federal preemption and taking away from States the ability to conduct proper oversight and accountability with these insurance plans.

Both the GAO in a study and a recent Georgetown University study that came out this summer indicated that the underlying AHP bill, as it is written with the weak provisions that would go to the Department of Labor, would lead to an explosion of fraud and abuse with these types of plans throughout the country. And there is a history of fraud and abuse.

Currently, there are over 144 plans that are set up fraudulently that are not paying the claims that are affecting well over 200,000 workers. But for the effective oversight and the policing that is taking place at the State level, even these would probably go unnoticed. It would impact more and more Americans. It is another reason why the underlying bill does not make sense, why the Federal preemption over State jurisdiction, which has been the history of health care regulation in this country, is another bad idea.

Our substitute addresses that by not preempting State law by allowing the State jurisdiction and oversight to continue. It does build upon the concept of a purchasing pool modeled after the Federal employee health plan which, as was stated earlier, has worked marvelously over the years. No one is recommending dismantling that.

I would encourage a ''yes'' on the substitute and a ''no'' on the underlying bill.

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

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we do not know the cost. It is going to be out of reason, I believe. And while AHP legislation will be implemented quickly, this Democrat substitute might take years to get up and running.

In addition, the funds are subject to appropriations. And if an appropriation did not go through or did not provide enough funds, small employers and their workers would be left hanging.

Let me make myself clear. I believe our Nation's employer-sponsored health care system is a success story. Employers provide coverage for the vast majority of our Nation's population; 131 million Americans obtain their coverage from private employers.

The Committee on Education and the Workforce and the Department of Labor through our oversight of ERISA have jurisdiction over employer-sponsored health care. So I support using

the employer-based system to address the problems of the uninsured.

□ 1730

However, the way to do that is to build on the success of the current system by utilizing the strengths that enable large employers and unions to offer Cadillac health plans. AHPs are the way to do that. Vote down this amendment. Vote for AHPs.

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

The SPEAKER pro tempore (Mr. REHBERG). Pursuant to House Resolution 379, the previous question is ordered on the bill and on the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. KIND).

The question is on the amendment in the nature of a substitute offered by the gentleman from Wisconsin (Mr. KIND).

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 197, nays 230, not voting 6, as follows:

[Roll No. 424]

YEAS—197

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu

NAYS—230

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cox
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Velázquez
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—6

Cramer
Feeney
Gibbons
Owens
Oxley
Westmoreland

□ 1753

Messrs. WYNN, WELLER, and SHERWOOD changed their vote from ''yea'' to ''nay.''

Mr. RUSH changed his vote from ''nay'' to ''yea.''

So the amendment in a nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. HAYES). 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.

MOTION TO RECOMMIT OFFERED BY MR. GEORGE MILLER OF CALIFORNIA

Mr. GEORGE MILLER of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GEORGE MILLER of California. I am, Mr. Speaker.

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

The Clerk read as follows:

Mr. GEORGE MILLER of California moves to recommit the bill H.R. 525 to the Committee on Education and the Workforce with instructions to report the same back to the House forthwith with the following amendments:

Page 17, line 16, insert ''subsection (c) and'' before ''section 514(d)''.

Page 18, insert after line 6 the following:

''(c) MAINTENANCE OF STATE LAWS PROVIDING FOR CERTAIN FORMS OF COVERAGE .—Nothing in this part or section 514 shall be construed to preclude the application of State law (as defined in section 514(c)(1)) to an association health plan, or any health insurance issuer offering health insurance coverage in connection with the plan—

''(1) to the extent that such law requires coverage for the expenses of—

''(A) pregnancy and childbirth, or

''(B) children's health services (including the application of any such State law to the extent such law requires certain numbers of child health supervision visits or requires exemption of reasonable and customary charges for child health supervision services from a deductible, copayment, or other coinsurance or dollar limitation requirement),

''(2) to the extent that such law requires—

''(A) a minimum hospital stay for mastectomy,

''(B) coverage for reconstructive surgery following mastectomies (in excess of coverage required under section 713), and

''(C) coverage for the expenses of screening and tests recommended by a physician for breast cancer,

''(3) to the extent that such law requires—

''(A) coverage for medical treatments relating to cervical cancer, and

''(B) coverage for the expenses of screening and tests recommended by a physician for cervical cancer,

''(4) to the extent that such law requires—

''(A) the offering of, or coverage for, medical treatments related to mental illness or substance abuse and other services related to the treatment of mental illness or substance abuse,

''(B) coverage for prescription medications associated with the management of mental illness or substance abuse, or

''(C) education and self-management training services relating to mental illness or substance abuse,

''(5) to the extent that such law requires—

''(A) coverage for medical treatments related to diabetes,

''(B) coverage for diabetes-specific supplies, including blood glucose monitors, insulin pumps, insulin syringes, and single-use medical supplies associated with the management of diabetes,

''(C) coverage for prescription medications when prescribed by a physician associated with the management of diabetes, including insulin, or

''(D) diabetes education and self-management training services, or

''(6) to the extent that such law imposes annual, lifetime, or day and visit benefit minimums or limits copayments, deductibles, or out-of-pocket or other coinsurance requirements in connection with coverage, or items and services, described in the preceding paragraphs of this subsection.

Mr. GEORGE MILLER of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes in support of his motion to recommit.

Mr. GEORGE MILLER of California. Mr. Speaker, I submit a motion to recommit along with my colleagues on the Committee on Education and the Workforce, the gentlewoman from New York (Mrs. MCCARTHY), the gentlewoman from California (Ms. WOOLSEY), and the gentlewoman from Minnesota (Ms. MCCOLLUM).

This motion shows exactly what the issue is about. It is about the minimum standard of health care protection for all Americans, including those who work for small businesses.

Mr. Speaker, all employees, including the employees of small employers, may need access to pregnancy, to well-child care, to cancer treatment, mental health treatment, or even diabetes treatment. We should not encourage insurers to offer bare-bones treatment that does not protect anyone.

Everyone gets sick at some point in their lives, and everyone will need access to a meaningful package of benefits. That is why I am offering this motion to recommit.

Mr. Speaker, I yield to the gentlewoman from New York (Mrs. MCCARTHY).

Mrs. MCCARTHY. Mr. Speaker, as we worked on this on the Committee on Education and the Workforce, we tried to put our thoughts into it. People have to understand, if the main bill is passed, health care for our small employers is not going to help the majority of those employees seeking coverage.

The recommittal goes back to what the States have already done, mainly because in the beginning the insurance companies would not give health care to women that needed to have a mammogram or to have a pap smear to make sure they do not have cervical cancer.

This House spends money constantly on cancer research, and here we are using a tool that we can prevent cancer and make sure that women are treated earlier. With this bill, the mainline bill is taking that away. I ask my colleagues, do not be fooled, stand up for your State. Stand up for the health care of your constituents. That is what our job is.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield to the gentlewoman from Minnesota (Ms. MCCOLLUM).

Ms. MCCOLLUM of Minnesota. Mr. Speaker, I rise to support the motion to recommit because AHPs are awful health plans. AHPs roll back State benefit standards that protect women and children. They are awful for women; they are awful for children.

Our motion protects Americans who have access to mental health benefits. It protects families' access to maternity care and well-baby checks.

□ 1800

Maternity coverage is critical for women. It should not be optional. Fortunately, many States require health plans to cover maternity care and well-baby checks for their children. The bottom line is healthy moms equal healthy children. Healthy children, valuing children's lives, should be a goal we all share.

Children deserve a healthy start in life with regular visits to the doctor and necessary immunizations. Preventive care makes economic sense. It can prevent avoidable illness and reduce future health care costs.

I encourage all Members to reject awful health plans and to support the motion to recommit.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, the preemption of State law that is allowed under H.R. 525 makes no sense. For example, 49 States guarantee that health insurance plans include mammograms, and for good reason. We know that if a woman has health insurance, the likelihood she will receive a mammogram is promising. We know that early detection increases a woman's chance of surviving breast cancer. No one knows this better than my constituents in Marin County, California, who suffer from the highest rates of breast cancer in the country. They deserve more protections from this deadly disease, not a rollback in coverage of the most basic screening tool we have, mammograms. They are looking to Congress to help more women get the services they need to catch this disease before it becomes fatal. Instead, today we are telling them that insurance companies are allowed to trump State law and decide what is best for their health.

I am sure that all of the men and women here today want their wives, sisters, mothers, and daughters to have annual screenings as recommended by physicians. It is common sense. I urge each of my colleagues, support the women in your lives. Support the motion to recommit.

Mr. GEORGE MILLER of California. Mr. Speaker, I would hope that people would support this motion to recommit. This is fundamental and basic. It is about whether or not people will have coverage that works for them when they or a member of their family becomes sick.

CBO has looked at this legislation three times, and three times they have determined that almost 8 million people who today have health care coverage that is good coverage, they will be stripped of that coverage and put into these AHPs. In fact, they expect that 90 percent of the new enrollees will be people who come out of better plans who will lose that coverage that people have fought hard for in almost every State in this Union, to have those kinds of health care protections that our three colleagues just spoke about in support of this motion to recommit.

I would urge the House to support the motion to recommit and reject this legislation that is harmful to the health care coverage of millions of Americans and their families.

Mr. BOEHNER. Mr. Speaker, I rise in opposition to the gentleman's motion.

The SPEAKER pro tempore (Mr. HAYES). The gentleman is recognized for 5 minutes.

Mr. BOEHNER. Mr. Speaker, the most coveted health insurance available to Americans is offered by big companies and unions. All we are trying to do in the underlying bill is to give small employers the same opportunity to provide high-quality health insurance to their employees at competitive prices.

The motion to recommit would require every AHP to cover every mandate known to man, driving up the cost of those policies and making sure that no new employees would ever be covered by an AHP. There are 45 million Americans with no health insurance. While this will not cover all 45 million Americans, it will help some Americans who have no access to health insurance today have access to high-quality, competitively priced health insurance. You can have all the mandates in the world; but if you do not have health insurance, you get no coverage at all. No doctors' visits. No nothing. It is a bad motion. Support the underlying bill.

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

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

Mr. GEORGE MILLER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of H.R. 525, if ordered, and suspending the rules on H.R. 2894.

The vote was taken by electronic device, and there were—yeas 198, nays 230, not voting 5, as follows:

[Roll No. 425]

YEAS—198

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu

NAYS—230

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cox
Crenshaw
Cubin
Culberson
Cunningham
Davis (KY)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Evans
Everett
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Velázquez
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—5

Cramer
Feeney
Gibbons
Oxley
Waxman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HAYES) (during the vote). Members are advised there are 2 minutes remaining in this vote.

□ 1821

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

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.

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

The yeas and nays were ordered.

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

The vote was taken by electronic device, and there were—yeas 263, nays 165, not voting 5, as follows:

[Roll No. 426]

YEAS—263

Aderholt
Akin
Alexander
Bachus
Baird
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Biggert
Bilirakis
Bishop (GA)
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Case
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cooper
Costello
Cox
Crenshaw
Cubin
Cuellar
Culberson
Cunningham
Davis (AL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Edwards
Ehlers
Emerson
English (PA)
Everett
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harman
Harris
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis (SC)
Israel
Issa
Istook
Jackson-Lee (TX)
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mollohan
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Ortiz
Osborne
Otter
Paul
Pearce
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Rothman
Royce
Ryan (WI)
Ryun (KS)
Salazar
Sanchez, Loretta
Saxton
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Smith (NJ)
Smith (TX)
Snyder
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Turner
Upton
Velázquez
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—165

Abercrombie
Ackerman
Allen
Andrews
Baca
Baldwin
Barrow
Becerra
Berkley
Berman
Berry
Bishop (NY)
Blumenauer
Boswell
Boucher

Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Chandler
Clay
Cleaver
Clyburn
Conyers
Costa
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank (MA)
Green, Al
Green, Gene
Grijalva
Gutierrez
Hastings (FL)
Higgins
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Jackson (IL)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Matsui
McCarthy
McCollum (MN)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Moore (KS)
Moore (WI)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rangel
Reyes
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sánchez, Linda T.
Sanders
Schakowsky
Schiff
Schwartz (PA)
Scott (GA)
Scott (VA)
Serrano
Sherman
Slaughter
Smith (WA)
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Weiner
Wexler
Woolsey
Wu

NOT VOTING—5

Cramer
Feeney
Gibbons
Oxley
Waxman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1834

Ms. MILLENDER-McDONALD changed her vote from ''yea'' to ''nay.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ABRAHAM LINCOLN BIRTHPLACE POST OFFICE BUILDING

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2894.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ISSA) that the House suspend the rules and pass the bill, H.R. 2894, 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 421, nays 0, not voting 12, as follows:

[Roll No. 427]

YEAS—421

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cox
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
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Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
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Kennedy (MN)
Kennedy (RI)
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Kilpatrick (MI)
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King (IA)
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Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
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Murphy
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Myrick
Nadler
Napolitano
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Pascrell
Pastor
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Price (GA)
Price (NC)
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Putnam
Radanovich
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Ramstad
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Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
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Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
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Taylor (MS)
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Thompson (CA)
Thompson (MS)
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Tiberi
Tierney
Towns
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Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
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Wasserman Schultz
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Watson
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Westmoreland
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Whitfield
Wicker
Wilson (NM)
Wilson (SC)
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Woolsey
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Wynn
Young (AK)
Young (FL)

NOT VOTING—12

Berman
Brown-Waite, Ginny
Cramer
Feeney
Gibbons
LaTourette
McHenry
Otter
Oxley
Paul
Peterson (PA)
Waxman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

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

□ 1842

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORTS ON H.R. 2361, DEPARTMENT OF THE INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS ACT, 2006, AND H.R. 2985, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2006

Mr. LAHOOD. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file conference reports to accompany H.R. 2361 and H.R. 2985.

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

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Curtis, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 38. An act to designate a portion of the White Salmon River as a component of the National Wild and Scenic Rivers System.

H.R. 481. An act to further the purposes of the Sand Creek Massacre National Historic Site Establishment Act of 2000.

H.R. 541. An act to direct the Secretary of Agriculture to convey certain land to Lander County, Nevada, and the Secretary of the Interior to convey certain land to Eureka County, Nevada, for continued use as cemeteries.

H.R. 794. An act to correct the south boundary of the Colorado River Indian Reservation in Arizona, and for other purposes.

H.R. 1046. An act to authorize the Secretary of the Interior to contract with the city of Cheyenne, Wyoming, for the storage of the city's water in the Kendrick Project, Wyoming.

The message also announced that pursuant to Public Law 105–292, as amended by Public Law 106–55, and as further amended by Public Law 107–228, the Chair, on behalf of the President pro tempore, upon the recommendation of the Majority Leader, appoints the following individual to the United States Commission on International Religious Freedom:

Dr. Richard D. Land of Tennessee, for a term of two years (July 25, 2005–July 24, 2007).

MEDICAL DEVICE USER FEE STABILIZATION ACT OF 2005

Mr. DEAL of Georgia. Mr. Speaker, I ask unanimous consent that the Committee on Energy and Commerce be discharged from further consideration of the bill (H.R. 3423) to amend the Federal Food, Drug, and Cosmetic Act with respect to medical device user fees, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

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

Ms. ESHOO. Mr. Speaker, reserving the right to object, and I do not intend to object, I yield to the gentleman from Georgia to explain his unanimous consent request.

Mr. DEAL of Georgia. Mr. Speaker, I thank the gentlewoman from California for yielding.

In 2002, Congress passed the Medical Device User Fee and Modernization Act, and it allowed the Food and Drug Administration to collect user fees from manufacturers who would submit applications for medical devices. This legislation was in response to the fact that there were many applications for new devices, and we were falling behind in the approval process.

With the passage of this legislation, the FDA was authorized to add additional personnel, and have done so and have speeded up the approval time for these new devices.

However, the legislation provided that Congress had to set and reach certain marks of appropriations for fiscal year 2003 and through 2005 for this program to continue; and in the event we did not reach those targeted appropriation levels, then the program would expire at the end of this September. Unfortunately, Congress did not meet those targeted appropriation levels.

□ 1845

Since Congress did not reach the targeted appropriations required to keep the program in place, this user fee program will cease at the end of September, and the FDA will be required to start sending out notices of termination.

So this legislation is essential to keep this very successful program in place, and it will allow us to retain the medical personnel who are working and approving device applications in a much more speedy and rapid fashion than they would have been able to do without the user fee being in place.

Mr. Speaker, that is the purpose of this legislation is to extend the program.

Ms. ESHOO. Further reserving the right to object, Mr. Speaker, I would like to make a few comments about H.R. 3423, the Medical Device User Fee Stabilization Act, which is being considered today. I am the lead Democrat, along with my colleague, on the committee, the gentleman from Pennsylvania (Mr. PITTS), who is also my neighbor across the hall from me in the Cannon House Office Building.

In 2002, former Representative GREENwood and myself introduced the Medical Devices User Fee Modernization Act. It passed the House unanimously, and it was signed into law by the President. The goal of the bill was to eliminate FDA's backlog in approving new medical devices so that doctors and patients could more quickly benefit from them.

While the law required device manufacturers to contribute toward FDA's cost in evaluating and approving new devices, the program was contingent on the Federal Government paying its fair share. If Federal funding did not reach the trigger level, the program would be eliminated. This legislation fixes the trigger so that the user fee program can continue.

Specifically the bill will reduce the rate of user fee increases to the single-digit range for the remaining 2 years of the program. It will help small medical device companies, which is very important, because the small companies operate differently under different circumstances than the larger ones. The small device companies, it helps them to afford the cost to submit new medical devices for FDA review and approval. And finally, the bill will enhance labeling and tracking of reprocessed single-use devices. So this legislation before us only authorizes the program for 2 more years.

It really is a significant accomplishment, and it allows us to now concentrate on making the device approval process even better in 2007. And I know that both of my colleagues, both the gentleman from Georgia (Mr. DEAL), the subcommittee chairman, as well as my colleague, the gentleman from Pennsylvania (Mr. PITTS), are committed to that.

I want to thank Ryan Long with Chairman BARTON's staff; John Ford, who is seated here to my left, with Ranking Member DINGELL's staff; and for Vanessa Kramer of my staff who has worked so hard on this. And it is because of all of them and their hard work that this bill has successfully reached the floor today.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 3423

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Medical Device User Fee Stabilization Act of 2005''.

SEC. 2. AMENDMENTS TO THE FEDERAL FOOD, DRUG, AND COSMETIC ACT.

(a) DEVICE USER FEES.—Section 738 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379j) is amended—

(1) in subsection (b)—

(A) after ''2004;'', by inserting ''and''; and

(B) by striking ''2005;'' and all that follows through ''2007'' and inserting ''2005'';

(2) in subsection (c)—

(A) by striking the heading and inserting ''Annual Fee Setting.—'';

(B) by striking paragraphs (1), (2), (3), and (4);

(C) by redesignating paragraphs (5) and (6) as paragraphs (1) and (2), respectively;

(D) in paragraph (1), as so redesignated, by—

(i) striking the heading and inserting ''**IN GENERAL**.—'';

(ii) striking ''establish, for the next fiscal year, and'' and all that follows through ''the fees'' and inserting ''publish in the Federal Register fees under subsection (a). The fees'';

(iii) striking ''2003'' and inserting ''2006''; and

(iv) striking ''$154,000.'' and inserting ''$259,600, and the fees established for fiscal year 2007 shall be based on a premarket application fee of $281,600.''; and

(E) by adding at the end the following:

''(3) SUPPLEMENT.—

''(A) IN GENERAL.—For fiscal years 2006 and 2007, the Secretary may use unobligated carryover balances from fees collected in previous fiscal years to ensure that sufficient fee revenues are available in that fiscal year, so long as the Secretary maintains unobligated carryover balances of not less than 1 month of operating reserves for the first month of fiscal year 2008.

''(B) NOTICE TO CONGRESS.—Not later than 14 days before the Secretary anticipates the use of funds described in subparagraph (A), the Secretary shall provide notice to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on

Energy and Commerce and the Committee on Appropriations of the House of Representatives.'';

(3) in subsection (d)—

(A) in paragraph (1), by inserting after the first sentence the following: ''For the purposes of this paragraph, the term 'small business' means an entity that reported $30,000,000 or less of gross receipts or sales in its most recent Federal income tax return for a taxable year, including such returns of all of its affiliates, partners, and parent firms.''; and

(B) in paragraph (2)(A), by—

(i) striking ''(i) **IN GENERAL**.—'';

(ii) striking ''subsection,'' and inserting ''paragraph,'';

(iii) striking ''$30,000,000'' and inserting ''$100,000,000''; and

(iv) striking clause (ii);

(4) in subsection (e)(2)(A), by striking ''$30,000,000'' and inserting ''$100,000,000'';

(5) in subsection (g)(1)—

(A) in subparagraph (B)—

(i) by striking clause (i) and inserting the following:

''(i) For fiscal year 2005, the Secretary is expected to meet all of the performance goals identified for the fiscal year if the amount so appropriated for such fiscal year, excluding the amount of fees appropriated for such fiscal year, is equal to or greater than $205,720,000 multiplied by the adjustment factor applicable to the fiscal year.''; and

(ii) in clause (ii), by striking the matter preceding subclause (I) and inserting the following:

''(ii) For fiscal year 2005, if the amount so appropriated for such fiscal year, excluding the amount of fees appropriated for such fiscal year, is more than 1 percent less than the amount that applies under clause (i), the following applies:'';

(B) in subparagraph (C)—

(i) in the matter preceding clause (i), by—

(I) striking ''2003 through'' and inserting ''2005 and''; and

(II) inserting ''more than 1 percent'' after ''years, is''; and

(ii) in clause (ii), by striking ''sum'' and inserting ''amount''; and

(C) in subparagraph (D)(i), by inserting ''more than 1 percent'' after ''year, is'';

(6) in subsection (h)(3)—

(A) in subparagraph (C), by striking the semicolon and inserting ''; and''; and

(B) by striking subparagraphs (D) and (E) and inserting the following:

''(D) such sums as may be necessary for each of fiscal years 2006 and 2007.''; and

(7) by striking ''subsection (c)(5)'' each place it appears and inserting ''subsection (c)(1)''.

(b) ANNUAL REPORTS.—Section 103 of the Medical Device User Fee and Modernization Act of 2002 (Public Law 107–250 (116 Stat. 1600)) is amended—

(1) by striking ''Beginning with'' and inserting ''(a) In General.—Beginning with''; and

(2) by adding at the end the following:

''(b) ADDITIONAL INFORMATION.—For fiscal years 2006 and 2007, the report described under subsection (a)(2) shall include—

''(1) information on the number of different types of applications and notifications, and the total amount of fees paid for each such type of application or notification, from businesses with gross receipts or sales from $0 to $100,000,000, with such businesses categorized in $10,000,000 intervals; and

''(2) a certification by the Secretary that the amounts appropriated for salaries and expenses of the Food and Drug Administration for such fiscal year and obligated by the Secretary for the performance of any function relating to devices that is not for the process for the review of device applications, as defined in paragraph (5) of section 737 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 379i), are not less than such amounts for fiscal year 2002 multiplied by the adjustment factor, as defined in paragraph (7) of such section 737.''.

(c) MISBRANDED DEVICES.—

(1) IN GENERAL.—Section 502(u) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352(u)) is amended to read as follows:

''(u)(1) Subject to paragraph (2), if it is a reprocessed single-use device, unless it, or an attachment thereto, prominently and conspicuously bears the name of the manufacturer of the reprocessed device, a generally recognized abbreviation of such name, or a unique and generally recognized symbol identifying such manufacturer.

''(2) If the original device or an attachment thereto does not prominently and conspicuously bear the name of the manufacturer of the original device, a generally recognized abbreviation of such name, or a unique and generally recognized symbol identifying such manufacturer, a reprocessed device may satisfy the requirements of paragraph (1) through the use of a detachable label on the packaging that identifies the manufacturer and is intended to be affixed to the medical record of a patient.''.

(2) GUIDANCE.—Not later than 180 days after the date of enactment of this Act, the Secretary of Health and Human Services shall issue guidance to identify circumstances in which the name of the manufacturer of the original device, a generally recognized abbreviation of such name, or a unique and generally recognized symbol identifying such manufacturer, is not ''prominent and conspicuous'', as used in section 502(u) of Federal Food, Drug, and Cosmetic Act (as amended by paragraph (1)).

(d) EFFECTIVE DATE.—Section 301(b) of the Medical Device User Fee and Modernization Act of 2002 (Public Law 107–250 (116 Stat. 1616)), as amended by section 2(c) of Public Law 108–214 (118 Stat. 575), is amended to read as follows:

''(b) EFFECTIVE DATE.—Section 502(u) of the Federal Food, Drug, and Cosmetic Act (as amended by section 2(c) of the Medical Device User Fee Stabilization Act of 2005)—

''(1) shall be effective—

''(A) with respect to devices described under paragraph (1) of such section, 12 months after the date of enactment of the Medical Device User Fee Stabilization Act of 2005, or the date on which the original device first bears the name of the manufacturer of the original device, a generally recognized abbreviation of such name, or a unique and generally recognized symbol identifying such manufacturer, whichever is later; and

''(B) with respect to devices described under paragraph (2) of such section 502(u), 12 months after such date of enactment; and

''(2) shall apply only to devices reprocessed and introduced or delivered for introduction in interstate commerce after such applicable effective date.''.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DEAL of Georgia. 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. 3423, the bill just passed.

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

There was no objection.

GENERAL LEAVE

Mr. TOM DAVIS of Virginia. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material on H.R. 22.

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

There was no objection.

POSTAL ACCOUNTABILITY AND ENHANCEMENT ACT

The SPEAKER pro tempore. Pursuant to House Resolution 380 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 22.

□ 1850

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 22) to reform the postal laws of the United States, with Mr. SIMPSON in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from California (Mr. WAXMAN) each will control 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. BURTON), the former chairman of the Government Reform and Oversight Committee, who has played a lead role in moving this bill to where it is today, and spent 6 long years in the vineyards laboring on this when he was chairman of the committee.

Mr. BURTON of Indiana. Mr. Chairman, first of all, I want to congratulate the gentleman from New York (Mr. MCHUGH), who has done yeoman's service to the committee and to this government in fighting for a postal reform measure. He has just done a great job. I want to congratulate him on all of the hard work in bringing this thing to the floor.

I want to congratulate our chairman, the gentleman from Virginia (Mr. TOM DAVIS). We fought for, I think, 6 years when I was chairman to bring this bill to the floor and pass it, and, Mr. Chairman, I want to congratulate you on being able to get this thing to the floor.

I hope that we are successful in getting it not only through here, but through the Senate as well.

I want to congratulate the gentleman from Illinois (Mr. DAVIS), my good buddy, who has one of the best voices in the Congress. If I could talk like

him, I would be President. He has got that deep, resonant voice.

I want to thank you and the gentleman from California (Mr. WAXMAN) for all of the hard work that you have put in on this bill. I want to congratulate you as well.

Let me just say that we have been working on this now for, gosh, I guess at least 10 years, but 6 years when I was chairman and now 4 years that you have been chairman. We have finally brought a bill to the floor. I do not think it is perfect, but it sure is a giant step in the right direction.

If we do not do something about postal reform, what is going to happen is the costs are going to go through the roof, and instead of this being an agency that deals with the expenses themselves, we are going to be seeing taxpayers footing the bill for additional costs for postal service.

With the advent of faxes and e-mails, you have seen the Postal Service have a lot more problems with revenues than they have had in the past. And it is absolutely essential, if we are going to have a viable Postal Service in this country, that we pass this legislation.

So I think this is a very good bill. I believe it will pass tonight, and I hope that all of my colleagues will vote for it. Once again, I want to thank all of those responsible, especially the gentleman from New York (Mr. MCHUGH), the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from Illinois (Mr. DAVIS) for working so hard on this.

Mr. DAVIS of Illinois. Mr. Chairman, I ask unanimous consent that I control the time of the gentleman from California (Mr. WAXMAN).

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DAVIS of Illinois. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, Members of the House have worked over a decade to reform this important part of our national culture and economy. I am truly pleased to serve in this Congress which is moving this historic reform forward.

I also want to commend the gentleman from New York (Mr. MCHUGH), the gentleman from Virginia (Chairman DAVIS), and the gentleman from California (Mr. WAXMAN) and their dedicated staffs for their commitment to postal reform and for the bipartisan cooperation to work for its passage.

The gentleman from New York (Mr. MCHUGH) deserves particular recognition for his leadership and perseverance with regard to postal reform.

Postal reform is a significant issue for my congressional district as it is for much of America. I represent one of the primary postal hubs in the Midwest, the great city of Chicago. In addition to the 12,000 postal employees who deliver mail daily to 1.2 million homes and businesses in the Chicago area, we have many respected companies like R.R. Donnelley, the largest printing company in North America, that are clients of the Postal Service.

The Postal Accountability and Enhancement Act of 2005 modernizes the postal system, helping it remain healthy and affordable well into the 21st century. This bill is a delicate compromise that has gone through a series of processes of hearings, meetings and negotiations. We have worked extensively and effectively with administration representatives to address their concerns.

There is something in this bill for everyone. It may not be everything that interest groups desire; however, as the gentleman from Virginia (Chairman TOM DAVIS) has said, it is our best chance at solving the structural, legal and financial constraints that put the Postal Service at risk of catastrophe.

As the Comptroller General recognized this past January, comprehensive postal reform is urgently needed. The Postal Service historically has accumulated billions of dollars in debt and currently has massive unfunded liabilities.

Declining first class mail volumes, high infrastructure-related costs and rigid statutes necessitate reform. It has been 35 years since comprehensive postal reform occurred. It is our responsibility to protect our treasured national asset before it is in crisis. The time for reform is now.

H.R. 22 has many highlights for the Postal Service. It provides the rate-making flexibility and incentives needed to operate as an efficient business. For businesses it provides rate stability, fair competition rules, financial transparency, and procurement protections needed to predict costs and operate on a level playing field. For consumers it preserves universal service, maintains high-quality standards, and eliminates unfair mailing costs so that they have an affordable and reliable means of communication. For workers it protects collective bargaining and offers whistleblower protections that are needed to ensure safe employment. For taxpayers it ensures the viability of a national asset and removes the threat of a taxpayer bail-out of the Postal Service due to financial insolvency.

These are just some of the provisions that will go a long way to helping the Postal Service better serve its customers, compete fairly with the mailing industry and contribute to our Nation.

In addition, I am pleased that the bill requires a study of the number of contracts with women, minorities and small businesses, and that it protects our domestic airlines from outsourcing of jobs to foreign carriers. I represent many members from each of these groups, and it is important that our reforms treat them all fairly. I reiterate that this bill is the best option to protect our treasured national asset before it is in crisis.

I know that the issue of classifying single-piece parcels as competitive or market-dominant has caused a good deal of anxiety for many parties affected by postal reform. I look forward to addressing this issue in conference.

And at this time, Mr. Chairman, I would like to enter into a colloquy with the distinguished chairman of the Government Reform Committee, the gentleman from Virginia (Mr. TOM DAVIS).

Mr. Chairman, section 404 of the Postal Accountability and Enhancement Act alters paragraph 2 of section 401 of title 39 of the U.S. Code. This section pertains to the rulemaking authority of the United States Postal Service. Obviously the issue of fairness in rulemaking by the Postal Service affects a number of businesses in my district.

I would like to ask the distinguished chairman to clarify how rulemaking by the Postal Service should consider the circumstances within the postal sector.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Illinois. I yield to the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. I thank the gentleman for yielding.

Mr. Chairman, the committee intends that the Postal Service will exercise the more clearly delineated rulemaking powers provided under this section in a way that is rationally related to the policy objectives set out in the revised statute, and it is predicated upon an understanding of the effect the regulations will have on the conditions in the postal sector.

□ 1900

Mr. DAVIS of Illinois. Reclaiming my time, I would like to ask the distinguished chairman of the Committee on Government Reform to further clarify the meaning of the language related to the role of the Postal Regulatory Commission in entering complaints related to rule-making.

I yield to the chairman to find out his understanding.

Mr. TOM DAVIS of Virginia. I thank the gentleman for yielding. Mr. Chairman, the committee further expects that the Postal Regulatory Commission will distinguish carefully between abuses of the Regulatory Authority set out in section 404 and the legitimate exercise of managerial discretion by the Postal Service in its implementation of the complaint provisions contained in section 205 of the bill.

Mr. DAVIS of Illinois. Reclaiming my time, I would like to thank the distinguished chairman for his answers and for his cooperation.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, most of us are familiar with the engraved saying outside the James A. Farley Post Office in New York City: ''Neither rain, nor snow, nor heat, nor gloom of night might stay these couriers from the swift completion of their appointed rounds.''

This is the unofficial motto depicting some of the circumstances our Nation's letter carriers face in fulfillment of the universal service obligation of the United States Postal Service.

Mr. Chairman, I rise today in support of H.R. 22, the Postal Accountability and Enhancement Act, which addresses a problem plaguing our Postal Service today that is far greater than the snow or rain or heat or gloom of night. That problem is the outdated and unsustainable structural framework of the Postal Service which threatens to bring it to the brink of catastrophe unless Congress acts immediately.

This legislation is about more than reforming the Postal Service itself. It is about reforming and sustaining a vital sector of our overall economy. After all, the Postal Service currently has about 707,000 career and 98,000 noncareer employees. In addition, more than 9 million American jobs, $900 billion in commerce, 9 percent of the Nation's gross domestic product, let me repeat, 9 percent of GDP depend on mail and package delivery. Thus, the Postal Service is not only vital to our national communication network but also to our national economy.

Each year the Postal Service processes and delivers 208 billion pieces of mail to more than 130 million addressees in the United States. That is 208 billion magazines, catalogs, thank-you notes, birthday cards, wedding invitations, Social Security checks, IRS refunds, letters to Congressmen, movie rentals, all delivered in fulfillment of the Postal Service's promise of universal service.

The last time Congress successfully passed legislation to overhaul the post office was 1970 when President Nixon signed the Postal Reorganization Act, before e-mails, before fax machines. It is time to bring the service into the 21st century.

The legislation we are considering today, the Postal Accountability and Enhancement Act, is the culmination of a decade of hard work and study, not to mention a great deal of bipartisan negotiation and cooperation amongst various groups. Consequently, H.R. 22 now represents our best chance at solving the structural, legal, and financial constraints that have brought the Postal Service to the brink of utter breakdown.

This past April, the Postal Service filed paperwork with the Postal Rate Commission to request a 5.4 percent rate increase for most categories of mail. These rate hikes, which are scheduled to take effect early next year unless Congress acts to prevent them, will impose a significant cost burden, let us call it what it is, a tax on the postal consumer.

For direct marketers, financial service companies and businesses relying heavily on shipping and mailing, these rate hikes are devastating. To make matters worse, increasing postal rates could send the postal office into what many observers call a death spiral, where declining business leads to higher rates which in turn leads to decline in business until it is too late to change course.

Unfortunately, under current law, the Postal Service's only recourse to remain competitive in today's market is to raise rates. That is no way to run an operation. In addition, the Postal Service's most recent request for a rate increase was spurred in part by an existing requirement that the Postal Service contribute $3.1 billion to a Federal pension escrow account which now houses more than $73 billion in civil service retirement savings that rightfully belongs to the United States Postal Service.

This is just one of many instances in which the USPS is hampered by the current legal framework. And it is one of many outdated requirements that H.R. 22 seeks to reform.

Quite simply, the laws that the Postal Service has today are outdated and unsuited for today's competitive environment. Let me take just a minute to highlight a few of the reform components included in this comprehensive bill that will enable the service to move into the 21st century.

Universal service. First and foremost, the bill preserves the Postal Service's commitment to universal service, the guaranteed delivery 6 days a week to each and every address in the United States.

Pension responsibility. It returns responsibility for funding the military cost of postal retirees' pension to the Treasury Department where it belongs. It is recommended by the President's commission. This liability was shifted to the Postal Service in the last Congress. That shift was little more than an accounting gimmick, but it is one that must be reversed if we are to be serious about fixing the Postal Service's long-term balance sheet.

The escrow account. As I have already mentioned, the bill frees up the $73 billion in civil service retirement savings that has been held in escrow, allowing the Postal Service to use this money to defray rate increases, among other options.

Modern rate regulation. This legislation shifts the basis of the Postal Rate Commission from a costly, complex scheme of rates to a modern system designed to ensure that rate increases generally do not exceed the annual change in the consumer price index. This applies only to market-dominated products, such as letters, periodicals, and advertising mail, because the Postal Service has provided different pricing freedom for its competitive products, like express mail and priority mail.

Strengthening the commission. This act will rename the Postal Rate Commission the Postal Regulatory Commission and give it teeth by granting it subpoena power and a broader scope for regulation and oversight.

Finally, the act sets the stage for future reforms by mandating several studies including a comprehensive assessment of the scope of standards for universal service.

Today, the White House released its statement of administration policy, its SAP, regarding this legislation. While we share the ultimate goal of effectively reforming the Postal Service, some issues still lack consensus between the Congress and the White House. The administration has established some general, overarching principles to guide the framing of the comprehensive reform of the U.S. Postal Service. These include best practices of corporate governance, transparency, flexibility, accountability, and self-financing.

Our bill shares these goals, but recognizes these principles are often times at odds with one another and may require some give and take. For example, the administration has proposed segment reporting for each and every class of mail, a practice which would unfortunately place the Postal Service at a competitive disadvantage with some of its toughest competitors. Thus, this requirement would be contrary to the administration's first stated proposal of best practices of corporate governance. It is just one example of an instance in which compromise is needed if we are to enact meaningful, comprehensive reform.

This bill, the refined product of nearly 10 years of careful negotiation and compromise, strikes an ideal balance among the guiding principles on which both the House and administration are in agreement. I just want to assure the administration we will continue to work closely will them as H.R. 22 heads toward a conference.

Before I conclude, I want to take this opportunity to thank the gentleman from New York (Mr. MCHUGH), who chaired our special panel on postal reform and was the original bill's chief sponsor. He was, without doubt, the right leader to undertake this daunting task.

I also want to thank the former chairman of the Committee on Government Reform, the gentleman from Indiana (Mr. BURTON), who played an integral role in moving the ball forward on postal reform that allowed us to be where we are today.

Finally, I want to thank the Committee on Government Reform's ranking member, the gentleman from California (Mr. WAXMAN), and the gentleman from Illinois (Mr. DAVIS), the ranking member on the special panel, for their dedication to this subject and their willingness to operate in a bipartisan manner and work through this, through the difficult issues that have been presented.

Bipartisan cooperation is the primary reason why this bill has finally reached the House floor and why we have been able to keep such diverse stakeholders around the table in productive discussions.

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

Mr. DAVIS of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. CLAY), a member of the Committee on Government Reform whose father preceded him, and his father preceded him not only in office but in having a great interest in postal matters.

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

I too want to join my colleagues in congratulating and thanking the gentleman from New York (Mr. MCHUGH), the gentleman from Virginia (Chairman TOM DAVIS), and the ranking members, the gentleman from California (Mr. WAXMAN) and the gentleman from Illinois (Mr. DAVIS), for the hard work they put into advancing this bill to this point.

I rise in support of the Postal Accountability and Enhancement Act. I am committed to protecting the interests of the U.S. Postal Service. I have the honor of representing over 3,000 Postal Service employees. Together they earn over $167 million in annual payroll and pay almost $20 million dollars in income taxes.

Postal employees represent an important part of my community economic base. Several months ago, I hosted a postal roundtable with groups representing postal-reliant businesses that depend on the postal system to deliver their products and collect their revenues. In addition, postmasters, letter carriers, direct mailers, and representatives of trucking companies participated in this roundtable.

While overwhelming support was expressed for this legislation, many concerns were raised about single-piece parcels, single-piece parcel post, or single letters, whether they should continue to be classifieds as market dominant so that the Postal Service can continue to offer fair rates for items mailed anywhere, including rural and more remote areas. The U.S. Postal Service would have to dramatically raise prices on such packages and possibly be forced to stop offering the universally affordable rate for single-piece parcels to individuals and small businesses.

This would result in the loss of many jobs within the Postal Service and create an inconvenience to customers. The U.S. Postal Service provides a vital public service to all of our constituents and is an essential part of our Nation's economic infrastructure.

I urge my colleagues to put single-piece parcels back in the market dominance category and support the Postal Accountability and Enhancement Act.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. MCHUGH), the chief author of this, someone who has championed this cause since I came to Congress.

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

Mr. Chairman, today, obviously, represents a critical step in what has to this point been a journey of more than 10 years, a decade and a half of hearings and meeting, of negotiations followed by more hearings, more meetings, more negotiations, to rewrite and rewrite again and again a piece of legislation that will serve as the first true serious reform of the sector known as the United States Postal Service, that since 1970.

In that length of effort, Mr. Chairman, that incredible commitment to the issue speaks directly to the critical importance of the Postal Service of this Nation and the complexity of this system that each and every day and each and every year delivers some 206 billion pieces of mail going through 38,000 postal facilities to 143 million addresses in virtually every community in every State in this Nation, 6 days a week, day in, day out, week in and week out.

So since 1775 this is the service that American people and American businesses alike have come and grown to expect. Universal service at a uniform price, no questions asked. No one in this country, Mr. Chairman, goes to his or her mailbox or his or her local post office wondering if the mail will be there. It is always there. It has always been there. But the true question, the question that this bill seeks to answer with a resounding yes, I might add, is will the mail always be there?

I am concerned that truly without this legislation the answer might well be far different than that resounding yes. Postal service of today is far removed from that of 30 years ago when reform was last enacted. Unlike then, the mail stream of today has diminished by such things as e-mails and faxes and cell phones and text messages, largely electronic means of communication that replace mail. They replace stamps. And thus they replace the revenues necessary to operate our key mail delivery system.

Some ask, if people are choosing to communicate in different ways, why do we need to change things at all? Some even go so far as to suggest that the time of the Postal Service has passed, that we ought to let the private sector take over.

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But the fact is, Mr. Chairman, for all the challenges the Postal Service of the 21st century faces, it still retains its traditional place as a key cog in how American businesses conduct their affairs and how Americans all across this land communicate.

The postal business sector of this Nation, as we have heard the distinguished chairman of the full committee clearly state, represents a $900-billion-a-year industry, with 9 million jobs, and more than 8 percent, nearly 9 percent, of our entire Nation's economy.

The fact is, Mr. Chairman, if the Postal Service did not exist here in 2005, we would have to invent it. That is why more than 200 major companies in this country have strongly endorsed this measure, 200 companies representing the lifeblood of the economy of this Nation. That is why virtually every major labor organization within the Postal Service has endorsed it, why even those companies that compete against the Postal Service have endorsed H.R. 22, including United Parcel Service, including FedEx, and others.

Now, I have no doubt there are going to be those who believe they have a better idea, those who will say they can improve this bill by adding or diminishing its provisions. And, Mr. Chairman, speaking honestly, as someone who has been involved from day one for more than 10 years, probably some, if not all, of these critics may be right. But what I would urge my colleagues to resist this day is the understandable temptation to make the perfect the enemy of the good.

This bill's formation has taken more than a decade for some very good reasons. It is, frankly, based upon the complexity of the system itself. We have considered those interests of the people who manage it, those who man it, the businesses that rely upon it, those who compete against it, those who depend upon it, so many interests whose input and whose needs are all carefully balanced in this bill. Perfection? No, perhaps not, but a solution nevertheless, a solution to the challenges that provide the United States Postal Service with the necessary tools to operate in a manner that most of us expect, like a modern, flexible, nimble business competing on a fair playing field, operating in an efficient and professional manner.

Mr. Chairman, at the risk of sounding immodest, I am very, very proud of this legislation. I am proud of its vision, I am proud of its construct and its provisions, but I am truly prouder still of those organizations and those special people, those individuals involved in those organizations and in this reform effort that have been there from the start.

They say a year in government and politics is a lifetime, and if that is true, 10 years has to approach infinity. But through it all, we have had special people devoted to extraordinary efforts in a singularly vital cause. And our thanks, and clearly my thanks, are owed to so many to even begin to list at this moment. Many of them are cited on the page that I just held up, all those more than 200 interests who strongly support this.

Many, if it were appropriate under the House rules, I would note are in the gallery today. But seeing as how it is not appropriate to say that under the House rules, I will resist the temptation. But without naming them specifically, I owe them thanks.

At perhaps the risk of offending many, I have to acknowledge a particularly special few: The gentleman from Illinois (Mr. DAVIS) and the gentleman from Pennsylvania (Mr. FATTAH), the two ranking members who first began

to help us move this issue forward. Mr. Chairman, the gentleman from Illinois (Mr. DAVIS) has been a stalwart, a ranking member who lost focus at no time and never lost faith.

The gentleman from California (Mr. WAXMAN), the full committee ranking member, who put aside partisanship, not an easy thing to do in Washington these days, for the simple reason he understood and deeply cared about the conclusion of this challenge.

Bill Clinger, followed by the gentleman from Indiana (Mr. BURTON), the first and second chairman of the Committee on Government Reform, who continued to bring our attention to it and keep us focused.

And our current chairman, the gentleman from Virginia (Mr. TOM DAVIS), who might have, who might have, but thankfully did not, let this effort die; who urged us forward; whose political skills, intellectual depth, and administrative acumen have really advanced us to this threshold of success.

These are all important folks, but I want to say, as much as I deeply indebted for those efforts, in my opinion the success of today's consideration is predicated largely upon the efforts of one very special, very dedicated man: Robert Taub. Through it all, Robert has been the intellectual and spiritual glue that has held this effort together. He was always willing, even anxious, to my amazement, to do one more meeting, one more effort to advance reform. And when others saw failure, Robert saw a challenge. When others lost hope, Robert remained focused. When others remained angry, including myself, Robert remained calm. He has been the eye of the storm in a torrent of conflict, of divergent and seemingly irreconcilable differences. I am very, very proud that the payroll lists this very extraordinary man as my chief of staff. I am prouder still that in my heart I consider him a friend, and I am deeply in his debt particularly.

So I will, with again a thanks to Chairman DAVIS for all that he has done, look forward to the passage of this bill.

Mr. DAVIS of Illinois. Mr. Chairman, I yield myself such time as I may consume to say that there is a big difference between vanity and pride, and the gentleman from New York (Mr. MCHUGH) has every reason to be proud of this product, and we do not think it is vanity at all.

Mr. Chairman, it is my pleasure to yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY. Mr. Chairman, I thank the gentleman for yielding me this time and for his extraordinary leadership on the Task Force for Postal Reform, on which I have served, and I rise in strong support of it.

It has been a long and difficult journey which has brought us here today, well over 10 years, and I thank everyone who has been involved in this bipartisan effort to reform the way the Postal Service currently operates: the gentleman from Virginia (Mr. TOM DAVIS), our chairman; the ranking member, the gentleman from California (Mr. WAXMAN); the gentleman from New York (Mr. MCHUGH); the gentleman from Illinois (Mr. DAVIS); and their hard and dedicated working staffs.

This is very strongly supported legislation. It is a balance that we have achieved. We urge everyone to vote for it and to vote against the amendments that will be coming forward. It is supported by many of the unions, APWU, the Letter Carriers, the Postmasters, and the postal-reliant businesses, some of whom are located in my district, the Magazine Publishers of America, the direct marketers, the financial services. In fact, there is a coalition of many, literally hundreds, of businesses, and the 21st Century Postal Service Committee has issued a statement of support along with the over seven union statements in support of this bipartisan legislation.

As we know, this is incredibly important to our economy, with more than 9 million workers worldwide. They generate over $900 billion annually of our GDP, and represent nearly 9 percent of our overall budget. If we fail to act on this very pressing issue, the public and the postal-reliant businesses surely will face higher postal rates in the near future.

With the Postal Service facing billions of dollars in debt over the next few years, this Congress, 2 years ago, passed bipartisan legislation that reduced the Postal Service's contribution to the Civil Service Retirement and Disability Fund after it was determined that it had been making overpayments. This reform was expected to help the Service reduce its debt to the Treasury by approximately $3 billion each year and to keep rates stable until 2006. It also created an escrow account designed to ensure that the Postal Service uses these savings wisely. The bill before us today releases that escrow account and will help us to keep our rates stable.

Earlier this year, the Postal Service filed a request with the Rate Commission for yet another increase of 5.4 percent. It would be the fourth increase since 2001, and it is critical that we release these monies in the escrow to delay this rate increase.

Mr. Chairman, this legislation relieves the Postal Service and postal customers of the $27 billion burden in military service payments by returning that responsibility to the Treasury. After all, every other agency has this responsibility in the Treasury, and Postal should also.

This legislation also creates a Postal Regulatory Commission with authority to create a modern system for postal rate regulation. Mr. Chairman, a number of magazines have gone out of business because of rate increases, and so this legislation is vital to our economy.

Mr. Chairman, I submit for the RECORD the material I referred to above regarding the unions in favor of this legislation, and also a listing of numerous companies and organizations in favor of the legislation:

[From the Coalition for a 21st Century Postal Service]

9 MILLION WORKERS . . . $900 BILLION ECONOMY . . . 9 PERCENT OF U.S. GDP HELP KEEP THE MAILING INDUSTRY STRONG AND THE USPS VIABLE—VOTE YES ON H.R. 22

DEAR REPRESENTATIVE: The companies and organizations below urge you to support H.R. 22, the ''Postal Accountability and Enhancement Act of 2005.'' This legislation will bring urgently needed modernization and meaningful reform to the United States Postal Service (USPS), the lynchpin of the mailing industry—a key economic sector that employs 9 million workers adding $900 billion annually to the U.S. Gross Domestic Product. In fact, 9 percent of the nation's GDP can be directly attributed to the mailing industry.

H.R. 22 will bring increased efficiencies to the USPS, and would allow for more predictability and affordability in future postal rate increases. Without postal reform, American jobs will be placed at risk as companies are forced to compensate for capricious and expensive rate hikes in the future.

The companies and organizations listed below consider passing postal reform legislation this year an urgent priority, and urge you to cast a ''YES'' vote on H.R. 22 when it is considered on the House floor. Thank you for your consideration.

ADVERTISING/MARKETING/RETAIL INDUSTRIES

Arandell, CC3, Direct Marketing Association, Domtar, Hayzlett Companies, Inc., J.C. Penney, National Retail Federation, Vertis Direct Marketing Services.

FINANCIAL SERVICES/INSURANCE INDUSTRIES

Aegon, American Express, Bank of America, CapitalOne, Chase, JP Morgan Chase, Citigroup, CUNA Mutual, The Financial Services Roundtable, LaSalle Bank, MBNA, Property Casualty Insurers Association of America, USAA, Wachovia.

FORESTRY/PAPER/PRINTING INDUSTRIES

American Forest & Paper Association, Banta, International Paper, MeadWestvaco, National Association for Printing Leadership, Paramount Cards, Quad Graphics, Quebecor World, R.R. Donnelly, Richardson Printing, Inc., Solar Communications, Stora Enso, Weyerhaeuser Company, Wisconsin Paper Council.

NEWSPAPER/PUBLISHING INDUSTRIES

Harcourt, Inc., Holt Reinhart & Winston, Inc., IDEAlliance, LexisNexis, Magazine Publishers of America, McGraw-Hill, National Newspaper Association, Printing Industries of America/GATF, Publishers Press, Reed Business Information, Reed Elsevier, Inc., Time, Inc.

MAILING/FULFILLMENT/SHIPPING INDUSTRIES

Alliance of Non-Profit Mailers, Association for Postal Commerce, Association of Priority Mail Users, Mailers Council, Mailing and Fulfillment Service Association, National Postal Policy Council, Parcel Shippers Association, Pitney Bowes, PSI Group, Total Systems Services, Inc.

MANUFACTURING/TECHNOLOGY INDUSTRIES

Document Management Industries Association, Envelope Manufacturers Association, Keyspan, Kodak, Multi-Plastics, Inc., National Association of Manufacturers, NPES The Association for Suppliers of Printing, Publishing and Converting Technologies.

SMALL BUSINESS/GENERAL COMMERCE

National Federation of Independent Business, Small Business Legislative Council.

USPS MANAGEMENT/LABOR ORGANIZATIONS

National Association of Postal Supervisors, National Rural Letter Carriers Association.

STATE AND LOCAL ORGANIZATIONS

Printing Industry Association of the South, Inc., Pacific Printing and Imaging Association, PIA, Inc. of Arizona, PIA of Southern California, PIA of San Diego, Printing Industries of Northern California, Printing & Imaging Association Mountain States, The Association of Graphic Communications, Graphic Arts Association, Printing and Graphics Association MidAtlantic, Printing Association of Florida, Inc., PIA of Georgia, Inc., Printing Industries of Illinois/Indiana Association, Printing Industries of the Midlands, Inc., Printing and Imaging Association of Mid America, Printing Industries of New England, Printing Industries of Michigan, Printing Industry of Minnesota, Inc., Printing Industries of St. Louis, Printing & Imaging Association of New York State, Inc., PI of the Carolinas, Inc., Printing Industries of Utah, Printing Industries of Virginia, Inc., Printing Industries of Wisconsin.

JULY 25, 2005.

DEAR REPRESENTATIVE: On Tuesday, July 26, the House is scheduled to consider H.R. 22, the Postal Enhancement and Accountability Act. We understand that a series of amendments may be offered that will have a catastrophic impact upon more than 740,000 postal employees and the American public. Therefore, we urge you to vote NO on amendments that jeopardize affordable and universal mail service to your constituents, and undermine a carefully drafted bill that balances the needs of the mailing public and postal employees.

H.R. 22 is the product of years of give and take and delicate negotiations with all sides making major concessions along the way. Many of these amendments ignore the results of those negotiations. Specifically, we oppose amendments being offered by Congressmen Flake, Hensarling, McHenry, and Pence because they individually or collectively undermine the ten-year effort by the authors of H.R. 22.

Sincerely,

American Postal Workers Union.

National Association of Postmasters of the U.S.

National Association of Letter Carriers.

National League of Postmasters of the U.S.

National Rural Letter Carriers Association.

National Association of Postal Supervisors.

National Postal Mail Handlers Union.

Mr. TOM DAVIS of Virginia. Mr. Chairman, may I inquire as to how much time remains on each side?

The CHAIRMAN. The gentleman from Virginia (Mr. TOM DAVIS) has 11 minutes remaining, and the gentleman from Illinois (Mr. DAVIS) has 17½ minutes remaining.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from Utah (Mr. CANNON), who has been very helpful in putting this bill together.

Mr. CANNON. Mr. Chairman, first of all, I would like to thank the chairman of the full committee, the gentleman from Virginia (Mr. TOM DAVIS), my friend, for entering into this colloquy, and also my friend, the gentleman from New York (Mr. MCHUGH), for the work they have done on this bill. This has been extraordinary. Since I have gotten here, I have had hundreds of inquiries about this issue, as has every other Member of Congress, and the gentleman from New York (Mr. MCHUGH) has handled them remarkably well. I strongly support H.R. 22. It is long overdue.

Mr. Chairman, I want to bring to the attention of the gentleman from Virginia (Mr. TOM DAVIS) an important problem in my district. The city of Taylorsville, Utah, has been assigned four different ZIP codes, and its citizens must access services at five different post offices, all outside the city.

Mr. Chairman, if we were talking about New York City or Los Angeles, more ZIP codes would be common, but in a city of only 60,000, we should not have four different ZIP codes and be serviced by five different post offices. So it is my sincere hope that the chairman and I can work together to reduce the number of ZIP codes for Taylorsville from four to one, and work towards a fully functioning post office located within the city proper.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. Mr. Chairman, we have tried on this legislation to not get into some of the specific shortcomings of Postal Service delivery on ZIP codes and the like, but I want to tell the gentleman that I have looked at this Taylorsville issue. I want to pledge to work with the gentleman from Utah and with the Postmaster General to make sure these needs are resolved and to support a thoughtful solution for the city of Taylorsville, and just assure the gentleman that that is a priority.

Mr. CANNON. Reclaiming my time, Mr. Chairman, I thank the gentleman from Virginia for his commitment to helping me solve this problem, and I want to thank Taylorsville Mayor Janice Auger for her tireless effort on this issue.

Mr. DAVIS of Illinois. Mr. Chairman, I am pleased to yield 2 minutes to the gentlewoman from California (Ms. WATSON).

Ms. WATSON. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise today in support of H.R. 22, the Postal Accountability and Enhancement Act. I am extremely happy that after years of work, we are finally bringing this important bill to the floor for a vote.

In my congressional district alone, there are 66 postal facilities accounting for over 1,600 postal workers and $79 million in wages. The men and women of the United States Postal Service bind our Nation together, offering prompt and reliable services at uniform prices.

Many people do not realize the economic power this industry has. The postal industry accounts for over 8 percent of the gross national product, and it is the backbone of a $900 billion mailing industry that drives the U.S. economy. To maintain the current level of high-quality service, we must reform our postal system for the new information age.

The United States Postal Service is the world's most efficient postal system. While America is adding almost 2 million addresses per year, the number of postal employees have held steady, meaning that the same number of letter carriers are walking further, while delivering more mail.

This bill must be passed because it addresses many pressing issues, such as rate changes, the Postal Service Retirement System, escrow accounts, and military pension issues. This is the only Federal agency where funds in the civil retirement system have to be used to fulfill military obligations within the Department.

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The bill also addresses the issue of the United States Postal Service overpayment of over $78 billion in civil service retirement benefits. The Congressional Budget Office estimates that the escrow requirements will cost the United States Postal Service nearly $3 billion in 2006 and over $36 billion over the next 8 years. If the postal system is not fixed, our constituents will bear the cost.

This Nation is very fortunate to have a Postal Service system that handles such a large volume of mail while operating at affordable costs to our citizens.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. MURPHY).

Mr. MURPHY. Mr. Chairman, although we may be living in the age of technology and more than a few of us cannot live without our e-mail, the United States Postal Service continues to serve a key role for both personal and business communications. With 9 million jobs and $900 billion in annual commerce dependent on services provided by USPS, consideration of this reform package could not come soon enough.

In recent years, the U.S. Postal Service has struggled to perform its core mission of providing affordable mail service 6 days a week to every American. Today, the Postal Service operates under the same set of rules established in 1970; yet the service now delivers nearly 2½ times more mail to almost twice as many homes.

Rising costs and financial losses, coupled with rate increases meant to remedy a declining fiscal situation, have left the Postal Service in a position that threatens the long-term viability of mail as an affordable, effective business communications channel.

I am pleased H.R. 22 protects universal service while taking steps to alleviate the seemingly constant threat of rate increases by modernizing rate regulation and by freeing up $73 billion in civil service retirement savings that have been held in escrow.

Accountability and transparency are of particular interest to me as there continues to be unresolved questions surrounding the unfair and inconsistent application of a postal regulation more than 5 years ago.

This particular issue is one I have championed for some time, and while I am disappointed that we were unable to reach a resolution before the bill reached the House floor, I look forward to working with the committee and the Pennsylvania Senators on the issue of postal reform legislation moves into conference.

Comprehensive legislation is 10 years in the making; and without the passage of this bill, we are putting in jeopardy millions of American jobs and the future availability of affordable mail service, the repercussions of which will be felt well beyond the mailing industry.

In the last session of Congress when I was a member of the Subcommittee on Postal Reform and the Committee on Government Reform, we worked on this bill. I am pleased it has come before us, and I urge my colleagues to support H.R. 22.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I came to Congress to help the Federal Government be a better partner and make communities more livable. One of the simplest ways to achieve that objective does not require new rules or regulations. It simply requires that the Federal Government follow the same rules as others.

Well, H.R. 22 contains language from the Community Postal Partnership Act which I first introduced in the 105th Congress. It requires the Postal Service to abide by the same zoning and land use laws as everybody else and requires that the Postal Service garner input from communities on proposed changes for facilities.

We have had tremendous support for this concept, from homebuilders, the National Association of Postmasters, the Trust for Historic Preservation, Realtors, landscape architects, planners, and from within the postal community itself.

Good government organizations across the country have joined with mayors and local officials who understand that the over-37,000 postal facilities are not just remote outposts of Federal activity. They can, often are, and always should be centers of community activity.

This legislation has had bipartisan support from the majority of the House of Representatives and has passed the Senate, only to become victim of the politics of postal reform which I am pleased the committee has been able to sort out.

It is time, however, to make this relationship something that every community can count on. It should not be the exception, nor should it require extraordinary political action. There should be no variation in the commitment to provide the finest facilities that are part of each and every community. I am happy that the committee has chosen to include this language in the comprehensive postal reform bill.

In turn, I think it is essential that we recognize the valuable service provided by the Postal Service. It delivers more items in one day than Fed Ex does in a year; it manages half the world's mail with one-fourth of the revenue and a fifth of the workforce. It is important that we not just applaud these accomplishments, but give the Postal Service the tools it needs to continue to deliver its valuable service.

This bill accomplishes that goal. It is a delicately balanced compromise which I hope the House will support, rejecting amendments that would upset that balance, and build on this for a better Postal Service in the future.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 4 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me this time and rise in support of H.R. 22. It is a good bill that should be enacted this year.

I applaud the gentleman from Illinois (Mr. DAVIS) and the ranking member, the gentleman from California (Mr. WAXMAN), and the gentleman from New York (Mr. MCHUGH). The gentleman from New York (Mr. MCHUGH) has made a career of this bill, and we are thankful for that. He is not on the floor, but I want to congratulate him on his efforts.

Just a few months ago, the Committee on Government Reform marked up and passed this bill 39–0. Given the current political environment, that is amazing. An extraordinary achievement. Such bipartisanship on Capitol Hill is all too rare these days. When it happens, we should take note. The fact that every Democrat and Republican on the committee embraced H.R. 22 testifies to the need for postal reform that puts politics aside and focuses on pressing issues.

It is also a tribute to the hard work and energy that postal employees, business groups, and postal customers brought to bear educating lawmakers about the merits of reform.

Let me say something as an aside. The United States Postal Service is the most efficient and productive postal service in the world. It may surprise some to learn that some years ago when I took testimony in the Treasury Postal Subcommittee as chairman, the United States Postal Service was 40 percent more efficient than the number two postal service in the world which was Japan. I observed if we had that kind of productivity efficiency with respect to VCRs, we would not be buying JVCs, we would be buying RCAs made in America or Emerson or some other manufacturer.

Why has H.R. 22 earned my support and the support of a bipartisan group? Simply put, because it satisfies four areas. First, it protects universal service. That is absolutely essential. Secondly, it protects collective bargaining. Since the Postal Reorganization Act of 1970 established collective bargaining as a fundamental right, there has not been a single work stoppage or significant disruption in service as a result of labor-management discord. It is appropriate to protect it and continue it.

I noticed the gentleman from New York (Mr. MCHUGH) is back on the floor. I congratulate the gentleman. I said how steadfast you have been in the face of coming right up to the brink of passage and then having to withdraw. We all owe you a debt of gratitude and appreciation for the work you have done on this particular piece of legislation.

H.R. 22 ensures the Postal Service is treated exactly the same way every other Federal agency is in the area of military pensions. Our postal workers who served in the military served America, not the Postal Service, America. It is the U.S. Government that ought to compensate those military veterans. H.R. 22 mandates that the proportion of their retirement that comes from military service will be paid for by the Treasury, as it should be.

Lastly, H.R. 22 provides the Postal Service the flexibility it needs to set postal rates in a competitive manner. This is a difficult area. I know the committee has grappled with it, but I think the committee has come out with a solution that ought to be supported. There is no legislative reason why postal reform should not be enacted before the end of the year.

Unfortunately, however, I understand the administration has signaled its opposition to key provisions of H.R. 22 and its Senate counterpart S. 662. It is my hope and, yes, my expectation, that the gentleman from Virginia (Mr. TOM DAVIS), the gentleman from New York (Mr. MCHUGH), and the gentleman from Illinois (Mr. DAVIS) will be successful in resisting efforts by the administration to weaken or repeal provisions that are the product of years of hard bipartisan work.

I urge support of this product. I again congratulate the gentleman from New York (Mr. MCHUGH) on the work he has so ably led for so long.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. LYNCH).

Mr. LYNCH. Mr. Chairman, I rise in support of H.R. 22. This will be the first major postal reform bill to receive our consideration in 35 years. I would like to, obviously, credit the gentleman from Virginia (Chairman TOM DAVIS) and the gentleman from New York (Mr. MCHUGH), the subcommittee chairman, for their great work as well as the ranking member, the gentleman from

California (Mr. WAXMAN), and the gentleman from Illinois (Mr. DAVIS) for all of the great work they have done.

But I would be remiss if I did not mention the number of other people who have worked so hard on this, namely, the postal employees themselves who have been very active in this whole process, including the leadership of the American Postal Workers Union, the National Letter Carriers Union, and the National Mail Handlers Union who have been active and committed to this whole process.

All of us will remember in the days and weeks following September 11, we had a series of anthrax attacks conducted through the U.S. mail system. Tragically, among the victims of these attacks were included the lives of two of our postal workers, Joseph Curseen, Jr., and Thomas Morris, Jr., at the Brentwood facility in the D.C. area.

At that time, all of our postal workers, every clerk, every mail handler, was faced with a difficult choice, and that choice was to continue to come to work every day in a very difficult environment caused by anthrax exposure, and perhaps even endangering their families; or staying away from work and thereby risking the stability of our own economy and upsetting the flow of commerce and shaking the confidence of the American people.

The American postal workers, every clerk, every carrier, every mail handler chose to come to work under those conditions. They came here because they felt it was their particular patriotic duty to do so. H.R. 22 takes note of their service and regards postal employees as partners and a great asset toward affecting postal reform.

Notably, this bill does not seek to curtail essential worker rights, it does not reduce worker protections with respect to collective bargaining, and it deserves our support. I ask only that we resist any amendments that would weaken this bill.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. SCHIFF) for a colloquy.

Mr. SCHIFF. Mr. Chairman, I rise today to express my support for H.R. 22 and for the purpose of engaging the chairman and the gentleman in a brief colloquy.

H.R. 22 is long overdue and goes a long way towards ensuring the future competitiveness and viability of the U.S. Post Office. I am proud to cosponsor this important piece of legislation, and I encourage my colleagues to support its passage.

One issue of concern to me, however, has to do with the consolidation and realignment of postal facilities. I believe it is critical that Congress and the U.S. Postal Service understand that the closing of a postal facility has a great impact on its local community. I remain concerned that the U.S. Postal Service's realignment and consolidation plan may not fully take into account all of the costs associated with each individual facility impacted by such a plan.

Clearly, there are benefits to the consolidation and realignment of postal operations, but I rise today to ask the chairman and the ranking member and the gentleman from Illinois (Mr. DAVIS) for their support in working with the Postal Service to make sure that all impacts are taken into account, not just those that are fiscal in nature. It is critical that Congress understands the closing of a postal facility has a very great impact on its local community.

Mr. DAVIS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SCHIFF. I yield to the gentleman from Illinois.

Mr. DAVIS of Illinois. Mr. Chairman, I appreciate the gentleman's desire to see that the Postal Service takes into account the impact on local communities. I share his desire for a comprehensive evaluation of all issues regarding the realignment and consolidation of postal facilities, including individual impact on our local communities.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SCHIFF. I yield to the gentleman from Virginia.

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Mr. TOM DAVIS of Virginia. Mr. Chairman, I thank the gentleman from California for his support of this legislation and his efforts. I think it is important, as he points out, that all of these different impacts are taken into account when the Postal Service undertakes the realignment and consolidation of postal facilities. I look forward to working with him and the Postal Service as these unfold.

Mr. DAVIS of Illinois. Mr. Chairman, I yield myself such time as I may consume.

We have heard a great deal of discussion, all good, and again I think it is important that we realize that it took the coming together not only of dedicated Members of the House, but also tremendous staff work. I know that the gentleman from California (Mr. WAXMAN) is not here at the moment, but I want to take the time to commend not only him, but his staff, Phil Schiliro, Phil Barnett, Naomi Seiler, Althea Gregory, as well as the members of my staff, Richard Boykin, Jill Hunter-Williams, and, of course, Denise Wilson, who have worked tirelessly and tirelessly for months and some of them even into years of trying to make sure that we shaped a comprehensive bill, one that all of the stakeholders and shareholders could, in fact, agree with and be proud of, one that did, in fact, continue to protect universal service, everyday delivery, knowing that people can get their mail no matter where they live, whether it is on a remote countryside, up the mountain, across the way, across the river, knowing that the mail is going to come.

Again, I want to commend, as we have done so often, and not without reason, the hard work and continuous dedication of the gentleman from New York (Mr. MCHUGH), who almost single-mindedly and sometimes people would say single-handedly has kept this train rolling, has kept this ship going, and has prevented it from veering off course. I am very pleased to have been a part of the process. I again commend all of those for making it happen.

Mr. Chairman, I urge strong support for the passage of this important piece of legislation.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Mr. DAVIS of Illinois. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I want to acknowledge the gentleman from New York (Mr. MCHUGH) and the authors of this very, very strong legislation that has taken us more than a decade. To the gentleman from Virginia (Mr. TOM DAVIS), to the gentleman from California (Mr. WAXMAN), to the gentleman from Illinois (Mr. DAVIS), who have worked extremely hard on this issue, might I add my applause and congratulations.

Might I, Mr. Chairman, to the distinguished chairman of the full committee just say one thing. Might I thank the many, many postal workers around America who have been there when you needed them and who have managed to do a major industry with less than a third of the personnel. They are to be congratulated. I thank you very much, and I thank you for your interest in discussing the issue of whistleblower protection for Federal employees in the context of considering H.R. 22 today. I do want to recognize that you have in the bill itself provisions dealing with the inspector general.

Let me, first of all, say that I would have offered an amendment today, but I want the supporters of that amendment, those who have advocated for the No Fear Act that was passed by this body, legislation authored by myself and the gentleman from Wisconsin (Mr. SENSENBRENNER) and signed by the President, that my amendment would have tracked the No Fear Act, which would have established a Civil Rights and Civil Liberties Board pilot program within the Postal Service to monitor and enforce claims of abuse that would call for congressional review after 3 years. There is a grave need for such a body not only within the Postal Service, but in every Federal agency given the poor implementation of the No Fear Act. This public law is known as Public Law 107–174. I understand that the legislation as currently drafted contains, as I said, several new provisions that would protect

Federal employees and minorities such as the antikickback provisions, increase oversight functions for the inspector general, and a study of the Board of Governors of the number of contracts awarded to women and minority contractors. I applaud the gentleman for this.

My real point is that the No Fear Act has been slowly implemented. There are people in the government, workers in the government that we respect for their service wanting us to give oversight on the No Fear Legislation. I would like to work with the gentlemen as they go through conference, and as we go forward to ensure that this particular legislation is implemented, and enhanced civil rights are given to federal employees and our fine postal workers have the whistleblower protection and as well their civil liberties and civil rights are also protected.

Mr. Chairman, I rise in support of the H.R. 22. It is important that it was brought through Committee and to the Floor for expeditious consideration. I have an amendment that was made in order that would seek to address the very critical issue of slow implementation of Public Law No. 107–174, the No FEAR Act (5 U.S.C. 2301) and provide avenues of relief for the many federal employees who continue to complain of workplace civil rights abuse.

My amendment would establish a Civil Rights and Civil Liberties Board Pilot Program within the Postal Service to monitor and enforce claims of abuse that will call for congressional review after three years. There is a grave need for such a body—not only within the Postal Service but in every federal agency, given the poor implementation of the No FEAR Act.

I joined Chairman SENSENBRENNER and Ranking Member JOHN CONYERS in authorizing the Notification and Federal Employee Anti-Discrimination and Retaliation Act of 2002, or No Fear Act, that was signed into law by President Bush on May 15, 2002. This legislation was passed in order to bring immediate relief to federal government employees who have suffered from civil rights or other abuse in the workplace.

The product that we have before us today has many highlights. For the Postal Service, it provides the ratemaking flexibility and incentives needed to operate as an efficient business. For businesses, it provides the rate stability, fair competition rules, financial transparency, and procurement protections needed to predict costs and operate on a level playing field. For consumers, it preserves universal service, maintains high quality standards, and eliminates unfair mailing costs so that they have an affordable and reliable means of communication. For workers, it protects collective bargaining and offers whistle-blower protections that are needed to ensure safe employment. For taxpayers, it ensures the viability of a national asset and removes the threat of a tax-payer bailout of the Postal Service due to financial insolvency. These provisions, I am sure, will go a long way toward helping the Postal Service to better serve its customers, compete fairly with the mailing industry, and contribute to our nation.

In addition, I am pleased that the bill requires a study of the number of contracts with women, minorities, and small businesses and that it protects our domestic airlines from outsourcing of jobs to foreign air carriers.

Nevertheless, the issue of slow implementation of No FEAR remains a tremendous problem that I hope the Chairman, Ranking Member, and the members of the Committee on Government Reform will pursue both as this bill goes to Conference and in hearing forum.

Mr. Chairman, I support H.R. 22 and hope that the Chairman, Ranking Member, and the Conferees on this bill will address the issues that I presented with my amendment, and I hope that both the Committee on Government Reform as well as that of the Judiciary will hold oversight hearings on the implementation of the No Fear Act, and I yield back. It is critical that we use opportunities such as is afforded today to address the slow implementation of the No Fear Act. I yield back.

Mr. DAVIS of Illinois. Mr. Chairman, I yield the balance of my time to the gentleman from California (Mr. WAXMAN), the ranking member.

The CHAIRMAN. The gentleman from California (Mr. WAXMAN) is recognized for 2 minutes.

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

Mr. WAXMAN. Mr. Chairman, I want to thank my friend and colleague for yielding to me and also, more importantly, for the enormous contribution he has made to this legislation along with the gentleman from New York (Mr. MCHUGH) and the gentleman from Virginia (Mr. TOM DAVIS). The four of us have been working very, very closely and produced legislation that was unanimously voted out of our committee.

The legislation is to modernize the structure of the Postal Service. It is a $69 billion entity with 700,000 employees. It supports industries that produce goods and services worth $900 billion annually. For generations Americans have relied on the system for universal service for letters and packages.

Reaching unanimity was not easy. A primary goal of postal reform was to give the Postal Service the flexibility it needs to survive in a changing and increasingly competitive environment. At the same time, we took into account the varied and complex needs of the mailing community and the American people. The result is a strong bill with the primary goal of allowing the Postal Service to continue to fulfill its universal service mission at a reasonable cost.

The legislation makes a number of key changes, but all of the changes in this bill are calibrated to balance out conflicting forces so that we could bring everybody on board. That is why this bill, I would urge my colleagues to understand, is one that we need to support in its entirety and to resist changes, however attractive they may be.

The bill, in closing, will make sure that the Postal Service can go into this 21st century as a viable institution; where it competes, to make sure that it will not compete unfairly; and where it is doing its job as a unique establishment, it will be handled in a way so that it will be run efficiently and effectively for the public good.

I ask support for the legislation before us.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 30 seconds to the gentleman from Connecticut (Mr. SHAYS), the vice chairman of the Committee on Government Reform.

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding time. I just want to congratulate him, the ranking member of the committee and particularly the gentleman from New York (Mr. MCHUGH) for what he has done for over 10 years in this battle. His effort is awesome. This legislation is needed. We believe in universal coverage for mail, but know cost savings need to be made. Congratulations to all of you for doing such a great job in bringing this legislation before us.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself the balance of my time.

It has been said that victory has 1,000 fathers, and defeat is an orphan. As we approach a victory on this bill tonight, at least on the House side, let me thank some of the fathers. We have talked about some of the Members being involved, but thanks also go out to the National Association of Manufacturers, the National Federation of Independent Business, the Small Business Legislative Council; a group of financial service companies like American Express, Bank of America, Capital One, Chase, Citigroup, Financial Services Roundtable, J.P. Morgan; groups in the newspaper and publisher business like Magazine Publishers of America, National Newspaper Association, Printing Industries of America, Time, Inc.; labor unions like the American Postal Workers Union, National Association of Letter Carriers, National Rural Letter Carriers and the National Postal Mail Handlers Association; postal management organizations like the National Association of Postmasters, National League of Postmasters, National Association of Postal Supervisors; postal competitors like United Parcel Express, UPS and FedEx; and other organizations like the Alliance of Nonprofit Mailers, the Mailers Council, the Parcel Shippers Association, Pitney-Bowes and others.

And on the staff side, Melissa Wojciak, my staff director; Jack Callender, who has made his career on the committee the Postal Service; Robert Taub, who the gentleman from New York (Mr. MCHUGH) rightly, I think, gives the credit for being the father of this behind the scenes; Ellen Brown, Mason Alinger of our staff, Rob Borden, Kristina Sherry, Michael Layman, Phil Barnett, Michelle Ash, Denise Wilson, Naomi Seiler, Jill Hunter-Williams and Richard Boykin from the committee as well. All of these made major contributions.

What does this tell us if we pass this legislation? The cost of stamps is going up, but if we pass this legislation, it

will be nowhere near the increases that we will get without this important legislation.

The need for postal reform is obvious in this case. Failure to act is a job-killer. Inaction will jeopardize at least 1.5 million jobs. This is a top priority for industry, the mailing industry, a $900-billion-a-year industry, nearly 9 percent of GDP, its economic value, 9 million jobs. Failure to act would be the same as a tax increase on American consumers. If we do not seize this moment, we effectively impose a significant new tax and a new tax burden on every American who uses stamps. If we do not take action, the Postal Service will be forced to begin increasing postal rates, starting with 2 cents at the beginning of next year. A small business that spends $5,000 annually on postage will lose almost $300 a year. An industry like financial services would get slammed with over $600 million in increases annually with no increase in productivity. And the American public will waste over $20 billion in unnecessary postage over the next decade. That is why this legislation needs to be passed.

What is wrong with the current Postal Service? We have got some of the best and most dedicated workers in the world, as the gentleman from Maryland (Mr. HOYER) and the gentleman from California (Mr. WAXMAN) and others have pointed out, but they are operating under a 30-year-old system that completely missed the information technology revolution. It is a service that is saddled with $7 billion in workers' comp claims, $5 billion in retirement payments and $57 billion in health care costs. The statutes governing USPS are some of the most rigid and restrictive in the U.S. Code.

Finally, this means jobs. We can talk about trade and everything else, but failure to enact this will cost jobs in every State.

Let me conclude by saying and echoing what the gentleman from California (Mr. WAXMAN) noted, and that is, this bill is not a perfect bill. It is not a perfect bill today. It will not be perfect probably when it comes out of conference. But as we look at this, this is a finely balanced piece of legislation that today has almost unanimous agreement in the industries that are affected, among the workers that are affected and among the consumers that are affected.

We want to keep this balance as this comes to the floor. There are some very attractive amendments, well-meaning amendments that are going to be offered, but they upset this balance and jeopardize this bill. We have in front of us jobs, we have productivity, and we have almost 9 percent of the gross domestic product of this country at stake if we fail to pass this bill. I urge my colleagues to support it.

Mr. GENE GREEN of Texas. Mr. Chairman, I rise today in support of H.R. 22, the Postal Accountability and Enhancement Act. This bill will allow for the Postal Service to better serve the American People by significantly modernizing its outdated policies.

The last postal reform bill was signed by President Nixon in 1971 and at that time no one could have anticipated all of the technological advances our society would create. At that time we all sent letters to keep in contact with each other and email was something that we never could have imagined. Unfortunately, while we have advanced with the times, the Postal Service has been slow to keep up with our advancing technology. H.R. 22 will allow the Postal Service to continue providing comprehensive universal service, but at a much lower cost.

This bill is the product of hard work between the labor unions, the Postal Service, and the Government Reform Committee. It is a good piece of legislation that will give the Postal Service the rate modernization it needs and it will create a level playing field for the Postal Service to compete with other companies.

I strongly support this bill not only because my late father in-law was a letter carrier, but because the Postal Service has provided a vital service to the public for many years. It's time that we allow them to modernize so that we may continue to enjoy all of the benefits that they have afforded us.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Chairman, I rise today to speak in support of The Postal Accountability and Enhancement Act of 2005

As we move into a new phase of technological advancements, now is the time for significant reform of our postal system. With over 600-thousand postal workers, the U.S Postal Service is an essential part of today's national economic infrastructure.

In my home town of Dallas, TX, the roles of postal workers are vividly seen in homes, businesses, and even churches. We must have a firm commitment to ensuring that these vital public servants have guaranteed healthcare and retirement benefits, collective bargaining rights, and a decent pay.

H.R. 22 will bring increased efficiencies to the United States Postal Service, and strengthen the long-term viability of universal postal services. We must act now to ensure that 6-day a week delivery is maintained for all Americans.

I hope my colleagues will join me in supporting this key piece of legislation.

Mr. BACA. Mr. Chairman, since the days of the pony express, the USPS has become a part of the American family.

Consider the special place of the Postal Service in our society and its importance to Americans: to the teenagers waiting by the mailbox for the college acceptance letters, to families waiting for letters from loved ones serving abroad, to businesses reaching out to new customers and to so many others.

The Postal Service delivers mail six days a week to nearly 140 million addresses. Every year this number increases by 2 million.

The Postal Service's unmatched ability to reach every household and business in America six days a week is a vital part of the nation's infrastructure.

The Postal Service needs tools to modernize and compete. That is why today I am a cosponsor of H.R. 22, the Postal Accountability and Enhancement Act.

This legislation will not only ensure survival of the Postal Service but also help preserve universal service at affordable rates for American mailing consumers.

We need to ensure the long-term viability of this $900 billion industry and its nine million employees.

I only wish that we could also pass H.R. 147, the Social Security Fairness Act.

We need to correct the Windfall Elimination Provision, which lowers Social Security benefits for retirees who receive a Civil Service Retirement System annuity and Social Security benefits from other jobs.

Too many Postal Service employees have seen their Social Security benefits reduced by as much as 55 percent because of the Windfall Elimination Provision.

We also need to fix the Government Pension Offset, so that spouses and survivors do not have their benefits reduced.

Mr. Chairman, H.R. 22 is a good first step and I encourage my colleagues to support the bill.

Mr. TOM DAVIS of Virginia. Mr. Chairman, please include the attached exchange of letters between Chairman DON YOUNG of the Committee on Transportation and Infrastructure, Chairman F. JAMES SENSENBRENNER, Jr. of the Committee on the Judiciary, Chairman BILL THOMAS of the Committee on Ways and Means and myself.

HOUSE OF REPRESENTATIVES, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, April 25, 2005.

Hon. TOM DAVIS,
Chairman, Committee on Government Reform, Rayburn Building, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to you concerning the jurisdictional interest of the Transportation and Infrastructure Committee in matters being considered in H.R. 22, the Postal Accountability and Enhancement Act.

Our Committee recognizes the importance of H.R. 22 and the need for the legislation to move expeditiously. Therefore, while we have a valid claim to jurisdiction over certain provisions of the bill, I will agree not to request a sequential referral. This, of course, is conditional on our mutual understanding that nothing in this legislation or my decision to forego a sequential referral waives, reduces or otherwise affects the jurisdiction of the Transportation and Infrastructure Committee, and that a copy of this letter and of your response acknowledging our valid jurisdictional interest will be included in the Committee report and in the Congressional Record'' when the bill considered on the House Floor.

The Committee on Transportation and Infrastructure also asks that you support our request to be conferees on the provisions over which we have jurisdiction during any House Senate conference.

Thank you for your cooperation in this matter.

Sincerely,

DON YOUNG,
Chairman.

HOUSE OF REPRESENTATIVES, COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, April 26, 2005.

Hon. DON YOUNG,
Chairman Committee on Transportation Infrastructure, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your recent letter regarding the Committee on Transportation and Infrastructure's jurisdictional interest in H.R. 22, the Postal Accountability and Enhancement Act, and your willingness to forego consideration of H.R. 22 by the Committee on Transportation and Infrastructure.

I agree that the Committee on Transportation and Infrastructure has a valid jurisdictional interest in H.R. 22 and that the committee's jurisdiction will not be adversely affected by your decision to not request a sequential referral of H.R. 22. In addition, I will support your request for the appointment of outside conferees from the Committee on Transportation and Infrastructure to a House-Senate conference committee on this or similar legislation should such a conference be convened.

As you have requested, I will include a copy of your letter and this response in the Government Reform Committee's report on H.R. 22 and in the Congressional Record during consideration of the legislation on the House floor. Thank you for your assistance as I work towards the enactment of H.R. 22.

Sincerely,

TOM DAVIS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, May 12, 2005.

Hon. TOM DAVIS,
Chairman, Committee on Government Reform, House of Representatives, Washington, DC.

DEAR CHAIRMAN DAVIS: In recognition of the desire to expedite floor consideration of H.R. 22, the ''Postal Accountability and Enhancement Act,'' the Committee on the Judiciary hereby waives consideration of the bill. In so doing, I wish to express my appreciation for your willingness to address an incorporate concerns raised by the Committee on the Judiciary during its markup of similar legislation last Congress.

There are several provisions contained in H.R. 22 within the Committee on the Judiciary's subject matter jurisdiction. Specifically, section 205 of the legislation revises the complaint and appellate review of the Postal Regulatory Commission. Section 301 establishes an off-budget fund within the Treasury Department for revenues and expenditures associated with services offered by the Postal Service on a competitive basis. Section 303 prohibits the Postal Service from issuing regulations that preclude competition or compel the disclosure of protected intellectual property Section 304 ensures that laws regulating the conduct of private commercial activities also apply to competitive activities undertaken by the Postal Service, including the antitrust laws. Section 502 provides authority for the Postal Regulatory Commission to issue subpoenas to compel disclosure of evidence in its proceedings, and to refer failures to adhere to Commission directives to Federal district court. Section 703 requires the Federal Trade Commission to prepare a report detailing how Federal and State laws apply differently to competitive activities of the Postal Service and private companies. Section 801 provides permanent authority for the Postal Service to employ postal police to protect property and persons on Postal Service property, and gives the Attorney General authority to collect penalties and clean up costs associated with the unlawful mailing of hazardous materials.

The Committee agrees to waive additional consideration of H.R. 22 with the understanding that the Committee's jurisdiction over these provisions is in no way altered or diminished. I also ask that you support my request to be appointed conferee on any provisions over which the Committee on the Judiciary has jurisdiction during any House-Senate conference on this legislation. Finally, I would appreciate your including this letter in Congressional Record during consideration of H.R. 22 on the House floor.

Thank you for your attention to this request.

Sincerely,

F. JAMES SENSENBRENNER Jr.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, May 12, 2005.

Hon. F. JAMES SENSENBRENNER,
Chairman, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your May 12th letter regarding the Judiciary Committee's jurisdictional interest in H.R. 22, the Postal Accountability and Enhancement Act, and your willingness to forego consideration of H.R. 22 by your committee. As you noted, the Committee on the Judiciary considered a similar bill last Congress, H.R. 4341; and the amendments agreed to by your committee last Congress were significant improvements that were gladly incorporated in H.R. 22 this Congress by Congressman McHugh and myself.

I agree that the Committee on the Judiciary has a valid jurisdictional interest in H.R. 22 and that the committee's jurisdiction will not be adversely affected by your decision to not call a business meeting to consider H.R. 22. In addition, I will support your request for the appointment of outside conferees from the Committee on the Judiciary to a House-Senate conference committee on this or similar legislation should such a conference be convened.

As you have requested, I will include a copy of your letter and this response in the Congressional Record during consideration of H.R. 22 on the House floor. Thank you for your assistance as I work towards the enactment of H.R. 22.

Sincerely,

TOM DAVIS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, July 25, 2005.

Hon. TOM DAVIS,
Chairman, Committee on Government Reform, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN DAVIS: I am writing concerning H.R. 22, the ''Postal Accountability and Enhancement Act,'' which was reported by the Committee on Government Reform on May 27, 2005,

As you know, the Committee on Ways and Means has jurisdiction over matters concerning customs revenue functions. A provision in Section 305 of H.R. 22 directs the Bureau of Customs and Border Protection to apply United States customs laws to certain mail, and thus falls within the jurisdiction of the Committee on Ways and Means. However, in order to expedite this legislation for floor consideration, the Committee will forgo action on this bill. This is being done with the understanding that it does not in any way prejudice the Committee with respect to the appointment of conferees or its jurisdictional prerogatives on this or similar legislation.

I would appreciate your response to this letter, confirming this understanding with respect to H.R. 22, and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration.

Best regards,

BILL THOMAS,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON GOVERNMENT REFORM,
Washington, DC, July 25, 2005.

Hon. WILLIAM M. THOMAS,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your recent letter regarding the Committee on Ways and Means' jurisdictional interest in H.R. 22, the Postal Accountability and Enhancement Act, and your willingness to forego action on H.R. 22.

I agree that the Committee on Ways and Means has a valid jurisdictional interest in H.R. 22 and that the committee's jurisdiction will not be adversely affected by your decision to take no action at this time. In addition, I will support your request for the appointment of outside conferees from the Committee on Ways and Means to a House-Senate conference committee on this or similar legislation should such a conference be convened.

As you have requested, I will include a copy of your letter and this response in the Congressional Record during consideration of the legislation on the House floor. Thank you for your assistance as I work towards the enactment of H.R. 22.

Sincerely,

TOM DAVIS,
Chairman.

Mr. REYES. Mr. Chairman, I rise today in strong support of H.R. 22, the Postal Accountability and Enhancement Act.

Employing nine million workers nationwide, many of whom reside in my Congressional District of El Paso, Texas, the United States Postal Service (USPS) has been delivering hundreds of millions of pieces of mail each day keeping an important link of communication open to millions of people.

Many of my constituents from El Paso, Texas who have expressed their strong support for postal reform. I share their support and have co-sponsored the bill before us today.

Mr. Chairman, this legislation would ensure that the USPS is provided with the tools to remain competitive and viable in the 21st century. As a co-sponsor of H.R. 22, I would urge all my colleagues to support the passage of this important legislation.

Ms. DELAURO. Mr. Chairman, I rise in strong support of H.R. 22, the Postal Accountability and Enhancement Act. This legislation, which is long overdue, will improve commerce in this country, better the lives of the nation's postal workers, and guarantee that the mail will be delivered each day to the 140 million American households that look forward to a daily visit from their letter carrier.

In a time of declining revenues and increased costs, it is no secret that the Postal Service faces financial challenges. Competition in the package-delivery business and from Internet-based communication has intensified. And, as a result, each year, the dedicated letter carriers of the Postal Service are asked to carry less mail to more households and businesses nationwide. In part, that is because the Postal Service is operating under laws written 35 years ago—long before anyone had ever heard of the Internet.

This legislation will modernize the Postal Service, giving it the resources and flexibility it needs to manage its operations and set fair prices. The bill will help the Postal Service cut through the bureaucratic red tape and allow it to act more like the businesses it must compete against.

In addition to providing a more streamlined rate-setting process that will allow the Postal Service to make business decisions quickly, the bill also will allow the Postal Service to enter into partnerships with second- and third-class mailers, while preserving the jobs of those at postal sorting and processing centers. I welcome these improvements, although I anticipate more will need to be done to balance

the mailing industry's need for price certainty with unanticipated or extraordinary fiscal needs of the Postal Service.

The bill will alleviate a $27 billion burden by limiting the Postal Service's responsibility to pay the benefits of veterans who also worked in the Postal Service. To be clear, this provision does not limit the benefits of our brave veterans who, after military service, went to work for the Postal Service. This bill simply says that the U.S. Treasury must pay veterans benefits, and the Postal Service must pay postal benefits.

Mr. Chairman, this legislation is also good for one of the Postal Service's best assets—its human capital. I am particularly pleased that this bill preserves the right of more than 500,000 postal workers and letter carriers to bargain collectively. These dedicated men and women work in processing centers, they work in local post offices, and they work in our neighborhoods delivering the mail to our doorsteps each day. They are the reason that the postal service has a 96 percent on-time delivery record for first-class mail.

Mr. Chairman, this is a good bill. It will make the Postal Service leaner and more efficient, while preserving the collective bargaining rights of its workers. And it will continue the legacy of universal service. Since the birth of this nation, the United States Postal Service has been committed to delivering the mail to every single household in the country—142 million in all today. The daily mail delivery is something that many Americans look forward to, and this bill will ensure that the Postal Service has the resources it needs to maintain that commitment well into the future. I urge my colleagues to support this important legislation.

Mr. BACA. Mr. Chairman, since the days of the pony express, the USPS has become a part of the American family.

Consider the special place of the Postal Service in our society and its importance to Americans: to the teenagers waiting by the mailbox for the college acceptance letters, to families waiting for letters from loved ones serving abroad, to businesses reaching out to new customers and to so many others.

The Postal Service delivers mail six days a week to nearly 140 million addresses. Every year this number increases by 2 million. The Postal Service's unmatched ability to reach every household and business in America six days a week is a vital part of the nation's infrastructure.

The Postal Service needs tools to modernize and compete. That is why today I am a cosponsor of H.R. 22, the Postal Accountability and Enhancement Act. This legislation will not only ensure survival of the Postal Service but also help preserve universal service at affordable rates for American mailing consumers. We need to ensure the long-term viability of this $900 billion industry and its nine million employees. I only wish that we could also pass H.R. 147, the Social Security Fairness Act.

We need to correct the Windfall Elimination Provision, which lowers Social Security benefits for retirees who receive a Civil Service Retirement System annuity and Social Security benefits from other jobs. Too many Postal Service employees have seen their Social Security benefits reduced by as much as 55% because of the Windfall Elimination Provision. We also need to fix the Government Pension Offset, so that spouses and survivors do not have their benefits reduced.

Mr. Chairman, H.R. 22 is a good first step and I encourage my colleagues to support the bill.

Mr. LEACH. Mr. Chairman, I rise in support of the legislation before us: the most important postal reform of our generation.

The specific reforms contained in the bill have been well described in the preceding comments of various members, but I would simply like to underscore the importance of the United States Postal Service to the country, particularly rural America, and emphasize the immense respect that citizens have for their mail carriers.

The United States Postal Service began with the founding of the Republic; it grew as the nation grew; it has continuously transformed itself with entrepreneurial enterprise and technological innovation.

Before Henry Ford developed mass assembly techniques in the automobile industry, mail carriers on horseback—the pony express—used analogous methods of passing along packages to next-step destinations. And just as rail cars added speed, labor- and horse-saving capabilities to mail delivery in the latter half of the 19th century, the airplane has provided the means to bring greater speed and service efficiency in the last century. Likewise, at the various decentralized post offices and more centralized postal hubs, innovative machinery to help sort and distribute the mail has been developed.

But the unique aspect of mail delivery is that it remains a people-centric service. Good people make a difference and the Postal Service has a heritage of decency and quality of enlployee—from the clerk at the counter to the rural mail carrier to postmasters in small towns and urban centers. This country takes great pride in their dedication and professionalism.

Now is not the time to either ideologically tamper with the private express statutes or saddle the Postal Service with liabilities developed by other parts of the government.

The bottom line is that the United States Postal Service has served the country well for more than two centuries. We in the Congress respect this record and are obligated to ensure that the viability of this universal system is maintained.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

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

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

H.R. 22

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Postal Accountability and Enhancement Act''.

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

Sec. 1. Short title; table of contents.

TITLE I—DEFINITIONS; POSTAL SERVICES

Sec. 101. Definitions.
Sec. 102. Postal services.
Sec. 103. Financial transparency.

TITLE II—MODERN RATE REGULATION

Sec. 201. Provisions relating to market-dominant products.
Sec. 202. Provisions relating to competitive products.
Sec. 203. Provisions relating to experimental and new products.
Sec. 204. Reporting requirements and related provisions.
Sec. 205. Complaints; appellate review and enforcement.
Sec. 206. Workshare discounts.
Sec. 207. Clerical amendment.

TITLE III—PROVISIONS RELATING TO FAIR COMPETITION

Sec. 301. Postal Service Competitive Products Fund.
Sec. 302. Assumed Federal income tax on competitive products income.
Sec. 303. Unfair competition prohibited.
Sec. 304. Suits by and against the Postal Service.
Sec. 305. International postal arrangements.
Sec. 306. Redesignation.

TITLE IV—GENERAL PROVISIONS

Sec. 401. Qualification requirements for Governors.
Sec. 402. Obligations.
Sec. 403. Private carriage of letters.
Sec. 404. Rulemaking authority.
Sec. 405. Noninterference with collective bargaining agreements, etc.
Sec. 406. Bonus and compensation authority.
Sec. 407. Mediation in collective-bargaining disputes.

TITLE V—ENHANCED REGULATORY COMMISSION

Sec. 501. Reorganization and modification of certain provisions relating to the Postal Regulatory Commission.
Sec. 502. Authority for Postal Regulatory Commission to issue subpoenas.
Sec. 503. Appropriations for the Postal Regulatory Commission.
Sec. 504. Redesignation of the Postal Rate Commission.
Sec. 505. Officer of the Postal Regulatory Commission representing the general public.

TITLE VI—INSPECTORS GENERAL

Sec. 601. Inspector General of the Postal Regulatory Commission.
Sec. 602. Inspector General of the United States Postal Service to be appointed by the President.

TITLE VII—EVALUATIONS

Sec. 701. Universal postal service study.
Sec. 702. Assessments of ratemaking, classification, and other provisions.
Sec. 703. Study on equal application of laws to competitive products.
Sec. 704. Greater diversity in Postal Service Executive and administrative schedule management positions.
Sec. 705. Plan for assisting displaced workers.
Sec. 706. Contracts with women, minorities, and small businesses.
Sec. 707. Rates for periodicals.
Sec. 708. Assessment of certain rate deficiencies.
Sec. 709. Network optimization.
Sec. 710. Assessment of future business model of the postal service.
Sec. 711. Study on certain proposed amendments.
Sec. 712. Definition.

TITLE VIII—MISCELLANEOUS; TECHNICAL AND CONFORMING AMENDMENTS

Sec. 801. Employment of postal police officers.
Sec. 802. Date of postmark to be treated as date of appeal in connection with the closing or consolidation of post offices.

Sec. 803. Provisions relating to benefits under chapter 81 of title 5, United States Code, for officers and employees of the former Post Office Department.
Sec. 804. Obsolete provisions.
Sec. 805. Investments.
Sec. 806. Reduced rates.
Sec. 807. Hazardous matter.
Sec. 808. Provisions relating to cooperative mailings.
Sec. 809. Technical and conforming amendments.

7TITLE IX—POSTAL PENSION FUNDING REFORM AMENDMENTS

Sec. 901. Civil Service Retirement System.
Sec. 902. Health insurance.
Sec. 903. Repealer.
Sec. 904. Ensuring appropriate use of escrow and military savings.
Sec. 905. Effective dates.

TITLE I—DEFINITIONS; POSTAL SERVICES

SEC. 101. DEFINITIONS.

Section 102 of title 39, United States Code, is amended by striking ''and'' at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting a semicolon, and by adding at the end the following:

''(5) 'postal service' means the carriage of letters, printed matter, or mailable packages, including acceptance, collection, processing, delivery, or other functions supportive or ancillary thereto;

''(6) 'product' means a postal service with a distinct cost or market characteristic for which a rate or rates are, or may reasonably be, applied;

''(7) 'rates', as used with respect to products, includes fees for postal services;

''(8) 'market-dominant product' or 'product in the market-dominant category of mail' means a product subject to subchapter I of chapter 36;

''(9) 'competitive product' or 'product in the competitive category of mail' means a product subject to subchapter II of chapter 36;

''(10) 'Consumer Price Index' means the Consumer Price Index for All Urban Consumers published monthly by the Bureau of Labor Statistics of the Department of Labor; and

''(11) 'year', as used in chapter 36 (other than subchapters I and VI thereof), means a fiscal year.''.

SEC. 102. POSTAL SERVICES.

(a) IN GENERAL.—Section 404 of title 39, United States Code, is amended—

(1) in subsection (a), by striking paragraph (6) and by redesignating paragraphs (7) through (9) as paragraphs (6) through (8), respectively; and

(2) by adding at the end the following:

''(c) Nothing in this title shall be considered to permit or require that the Postal Service provide any special nonpostal or similar services, except that nothing in this subsection shall prevent the Postal Service from providing any special nonpostal or similar services provided by the Postal Service as of January 4, 2005.''.

(b) CONFORMING AMENDMENT.—Section 1402(b)(1)(B)(ii) of the Victims of Crime Act of 1984 (98 Stat. 2170; 42 U.S.C. 10601(b)(1)(B)(ii)) is amended by striking ''404(a)(8)'' and inserting ''404(a)(7)''.

SEC. 103. FINANCIAL TRANSPARENCY.

(a) IN GENERAL.—Section 101 of title 39, United States Code, is amended by redesignating subsections (d) through (g) as subsections (e) through (h), respectively, and by inserting after subsection (c) the following:

''(d) As an establishment that provides both market-dominant and competitive products, the Postal Service shall be subject to a high degree of transparency, including in its finances and operations, to ensure fair treatment of customers of the Postal Service's market-dominant products and companies competing with the Postal Service's competitive products.''.

(b) CONFORMING AMENDMENT.—Section 5001 of title 39, United States Code, is amended by striking ''101(e) and (f)'' and inserting ''101(f) and (g)''.

TITLE II—MODERN RATE REGULATION

SEC. 201. PROVISIONS RELATING TO MARKET-DOMINANT PRODUCTS.

(a) IN GENERAL.—Chapter 36 of title 39, United States Code, is amended by striking sections 3621 and 3622 and inserting the following:

''§ 3621. Applicability; definitions

''(a) APPLICABILITY.—This subchapter shall apply with respect to—

''(1)(A) single piece first-class letters (both domestic and international);

''(B) single piece first-class cards (both domestic and international); and

''(C) special services;

''(2) all first-class mail not included under paragraph (1);

''(3) periodicals;

''(4) standard mail;

''(5) media mail;

''(6) library mail; and

''(7) bound printed matter,

subject to any changes the Postal Regulatory Commission may make under section 3642.

''(b) RULE OF CONSTRUCTION.—Mail matter referred to in subsection (a) shall, for purposes of this subchapter, be considered to have the meaning given to such mail matter under the mail classification schedule.

''§ 3622. Modern rate regulation

''(a) AUTHORITY GENERALLY.—The Postal Regulatory Commission shall, within 24 months after the date of the enactment of this section, by regulation establish (and may from time to time thereafter by regulation revise) a modern system for regulating rates and classes for market-dominant products.

''(b) OBJECTIVES.—Such system shall be designed to achieve the following objectives:

''(1) To establish and maintain a fair and equitable schedule for rates and classification.

''(2) To maximize incentives to reduce costs and increase efficiency.

''(3) To create predictability and stability in rates.

''(4) To maintain high quality service standards.

''(5) To allow the Postal Service pricing flexibility.

''(6) To assure adequate revenues, including retained earnings, to maintain financial stability.

''(7) To reduce the administrative burden of the ratemaking process.

''(c) FACTORS.—In establishing or revising such system, the Postal Regulatory Commission shall take into account—

''(1) the value of the mail service actually provided each class or type of mail service to both the sender and the recipient, including but not limited to the collection, mode of transportation, and priority of delivery;

''(2) the direct and indirect postal costs attributable to each class or type of mail service plus that portion of all other costs of the Postal Service reasonably assignable to such class or type;

''(3) the effect of rate increases upon the general public, business mail users, and enterprises in the private sector of the economy engaged in the delivery of mail matter other than letters;

''(4) the available alternative means of sending and receiving letters and other mail matter at reasonable costs;

''(5) the degree of preparation of mail for delivery into the postal system performed by the mailer and its effect upon reducing costs to the Postal Service;

''(6) simplicity of structure for the entire schedule and simple, identifiable relationships between the rates or fees charged the various classes of mail for postal services;

''(7) the relative value to the people of the kinds of mail matter entered into the postal system and the desirability and justification for special classifications and services of mail;

''(8) the importance of providing classifications with extremely high degrees of reliability and speed of delivery and of providing those that do not require high degrees of reliability and speed of delivery;

''(9) the desirability of special classifications from the point of view of both the user and of the Postal Service;

''(10) the educational, cultural, scientific, and informational value to the recipient of mail matter; and

''(11) the policies of this title as well as such other factors as the Commission deems appropriate.

''(d) ALLOWABLE PROVISIONS.—The system for regulating rates and classes for market-dominant products may include one or more of the following:

''(1) Price caps, revenue targets, or other form of incentive regulation.

''(2) Cost-of-service regulation.

''(3) Such other form of regulation as the Commission considers appropriate to achieve, consistent with subsection (c), the objectives of subsection (b).

''(e) LIMITATION.—In the administration of this section, the Commission shall not permit the average rate in any subclass of mail to increase at an annual rate greater than the comparable increase in the Consumer Price Index, unless it has, after notice and opportunity for a public hearing and comment, determined that such increase is reasonable and equitable and necessary to enable the Postal Service, under best practices of honest, efficient, and economical management, to maintain and continue the development of postal services of the kind and quality adapted to the needs of the United States.

''(f) TRANSITION RULE.—Until regulations under this section first take effect, rates and classes for market-dominant products shall remain subject to modification in accordance with the provisions of this chapter and section 407, as such provisions were last in effect before the date of the enactment of this section.''.

(b) REPEALED SECTIONS.—Sections 3623, 3624, 3625, and 3628 of title 39, United States Code, are repealed.

(c) REDESIGNATION.—Chapter 36 of title 39, United States Code (as in effect after the amendment made by section 501(a)(2), but before the amendment made by section 202) is amended by striking the heading for subchapter II and inserting the following:

''SUBCHAPTER I—PROVISIONS RELATING TO MARKET-DOMINANT PRODUCTS''.

SEC. 202. PROVISIONS RELATING TO COMPETITIVE PRODUCTS.

Chapter 36 of title 39, United States Code, is amended by inserting after section 3629 the following:

''SUBCHAPTER II—PROVISIONS RELATING TO COMPETITIVE PRODUCTS

''§ 3631. Applicability; definitions and updates

''(a) APPLICABILITY.—This subchapter shall apply with respect to—

''(1) priority mail;

''(2) expedited mail;

''(3) mailgrams;

''(4) international mail; and

''(5) parcel post,

subject to any changes the Postal Regulatory Commission may make under section 3642.

''(b) DEFINITION.—For purposes of this subchapter, the term 'costs attributable', as used with respect to a product, means the direct and indirect postal costs attributable to such product.

''(c) RULE OF CONSTRUCTION.—Mail matter referred to in subsection (a) shall, for purposes of this subchapter, be considered to have the meaning given to such mail matter under the mail classification schedule.

''§ 3632. Action of the Governors

''(a) AUTHORITY TO ESTABLISH RATES AND CLASSES.—The Governors shall establish rates

and classes for products in the competitive category of mail in accordance with the requirements of this subchapter and regulations promulgated under section 3633.

''(b) PROCEDURES.—

''(1) IN GENERAL.—Rates and classes shall be established in writing, complete with a statement of explanation and justification, and the date as of which each such rate or class takes effect.

''(2) RATES OR CLASSES OF GENERAL APPLICABILITY.—In the case of rates or classes of general applicability in the Nation as a whole or in any substantial region of the Nation, the Governors shall cause each rate and class decision under this section and the record of the Governors' proceedings in connection with such decision to be published in the Federal Register at least 30 days before the effective date of any new rates or classes.

''(3) RATES OR CLASSES NOT OF GENERAL APPLICABILITY.—In the case of rates or classes not of general applicability in the Nation as a whole or in any substantial region of the Nation, the Governors shall cause each rate and class decision under this section and the record of the proceedings in connection with such decision to be filed with the Postal Regulatory Commission by such date before the effective date of any new rates or classes as the Governors consider appropriate, but in no case less than 15 days.

''(4) CRITERIA.—As part of the regulations required under section 3633, the Postal Regulatory Commission shall establish criteria for determining when a rate or class established under this subchapter is or is not of general applicability in the Nation as a whole or in any substantial region of the Nation.

''(c) TRANSITION RULE.—Until regulations under section 3633 first take effect, rates and classes for competitive products shall remain subject to modification in accordance with the provisions of this chapter and section 407, as such provisions were as last in effect before the date of the enactment of this section.

''§ 3633. Provisions applicable to rates for competitive products

''The Postal Regulatory Commission shall, within 18 months after the date of the enactment of this section, promulgate (and may from time to time thereafter revise) regulations—

''(1) to prohibit the subsidization of competitive products by market-dominant products;

''(2) to ensure that each competitive product covers its costs attributable; and

''(3) to ensure that all competitive products collectively make a reasonable contribution to the institutional costs of the Postal Service.''.

SEC. 203. PROVISIONS RELATING TO EXPERIMENTAL AND NEW PRODUCTS.

Subchapter III of chapter 36 of title 39, United States Code, is amended to read as follows:

''SUBCHAPTER III—PROVISIONS RELATING TO EXPERIMENTAL AND NEW PRODUCTS

''§ 3641. Market tests of experimental products

''(a) AUTHORITY.—

''(1) IN GENERAL.—The Postal Service may conduct market tests of experimental products in accordance with this section.

''(2) PROVISIONS WAIVED.—A product shall not, while it is being tested under this section, be subject to the requirements of sections 3622, 3633, or 3642, or regulations promulgated under those sections.

''(b) CONDITIONS.—A product may not be tested under this section unless it satisfies each of the following:

''(1) SIGNIFICANTLY DIFFERENT PRODUCT.—The product is, from the viewpoint of the mail users, significantly different from all products offered by the Postal Service within the 2-year period preceding the start of the test.

''(2) MARKET DISRUPTION.—The introduction or continued offering of the product will not create an unfair or otherwise inappropriate competitive advantage for the Postal Service or any mailer, particularly in regard to small business concerns (as defined under subsection (h)).

''(3) CORRECT CATEGORIZATION.—The Postal Service identifies the product, for the purpose of a test under this section, as either market dominant or competitive, consistent with the criteria under section 3642(b)(1). Costs and revenues attributable to a product identified as competitive shall be included in any determination under section 3633(3) (relating to provisions applicable to competitive products collectively).

''(c) NOTICE.—

''(1) IN GENERAL.—At least 30 days before initiating a market test under this section, the Postal Service shall file with the Postal Regulatory Commission and publish in the Federal Register a notice—

''(A) setting out the basis for the Postal Service's determination that the market test is covered by this section; and

''(B) describing the nature and scope of the market test.

''(2) SAFEGUARDS.—For a competitive experimental product, the provisions of section 504(g) shall be available with respect to any information required to be filed under paragraph (1) to the same extent and in the same manner as in the case of any matter described in section 504(g)(1). Nothing in paragraph (1) shall be considered to permit or require the publication of any information as to which confidential treatment is accorded under the preceding sentence (subject to the same exception as set forth in section 504(g)(3)).

''(d) DURATION.—

''(1) IN GENERAL.—A market test of a product under this section may be conducted over a period of not to exceed 24 months.

''(2) EXTENSION AUTHORITY.—If necessary in order to determine the feasibility or desirability of a product being tested under this section, the Postal Regulatory Commission may, upon written application of the Postal Service (filed not later than 60 days before the date as of which the testing of such product would otherwise be scheduled to terminate under paragraph (1)), extend the testing of such product for not to exceed an additional 12 months.

''(e) DOLLAR-AMOUNT LIMITATION.—

''(1) IN GENERAL.—A product may be tested under this section only if the total revenues that are anticipated, or in fact received, by the Postal Service from such product do not exceed $10,000,000 nationwide in any year, subject to paragraph (2) and subsection (g). In carrying out the preceding sentence, the Postal Regulatory Commission may limit the amount of revenues the Postal Service may obtain from any particular geographic market as necessary to prevent market disruption (as defined in subsection (b)(2)).

''(2) EXEMPTION AUTHORITY.—The Postal Regulatory Commission may, upon written application of the Postal Service, exempt the market test from the limit in paragraph (1) if the total revenues that are anticipated, or in fact received, by the Postal Service from such product do not exceed $50,000,000 in any year, subject to subsection (g). In reviewing an application under this paragraph, the Postal Regulatory Commission shall approve such application if it determines that—

''(A) the product is likely to benefit the public and meet an expected demand;

''(B) the product is likely to contribute to the financial stability of the Postal Service; and

''(C) the product is not likely to result in unfair or otherwise inappropriate competition.

''(f) CANCELLATION.—If the Postal Regulatory Commission at any time determines that a market test under this section fails, with respect to any particular product, to meet one or more of the requirements of this section, it may order the cancellation of the test involved or take such other action as it considers appropriate. A determination under this subsection shall be made in accordance with such procedures as the Commission shall by regulation prescribe.

''(g) ADJUSTMENT FOR INFLATION.—For purposes of each year following the year in which occurs the deadline for the Postal Service's first report to the Postal Regulatory Commission under section 3652(a), each dollar amount contained in this section shall be adjusted by the change in the Consumer Price Index for such year (as determined under regulations of the Commission).

''(h) DEFINITION OF A SMALL BUSINESS CONCERN.—The criteria used in defining small business concerns or otherwise categorizing business concerns as small business concerns shall, for purposes of this section, be established by the Postal Regulatory Commission in conformance with the requirements of section 3 of the Small Business Act.

''(i) EFFECTIVE DATE.—Market tests under this subchapter may be conducted in any year beginning with the first year in which occurs the deadline for the Postal Service's first report to the Postal Regulatory Commission under section 3652(a).

''§ 3642. New products and transfers of products between the market-dominant and competitive categories of mail

''(a) IN GENERAL.—Upon request of the Postal Service or users of the mails, or upon its own initiative, the Postal Regulatory Commission may change the list of market-dominant products under section 3621 and the list of competitive products under section 3631 by adding new products to the lists, removing products from the lists, or transferring products between the lists.

''(b) CRITERIA.—All determinations by the Postal Regulatory Commission under subsection (a) shall be made in accordance with the following criteria:

''(1) The market-dominant category of products shall consist of each product in the sale of which the Postal Service exercises sufficient market power that it can effectively set the price of such product substantially above costs, raise prices significantly, decrease quality, or decrease output, without risk of losing business to other firms offering similar products. The competitive category of products shall consist of all other products.

''(2) EXCLUSION OF PRODUCTS COVERED BY POSTAL MONOPOLY.—A product covered by the postal monopoly shall not be subject to transfer under this section from the market-dominant category of mail. For purposes of the preceding sentence, the term 'product covered by the postal monopoly' means any product the conveyance or transmission of which is reserved to the United States under section 1696 of title 18, subject to the same exception as set forth in the last sentence of section 409(e)(1).

''(3) ADDITIONAL CONSIDERATIONS.—In making any decision under this section, due regard shall be given to—

''(A) the availability and nature of enterprises in the private sector engaged in the delivery of the product involved;

''(B) the views of those who use the product involved on the appropriateness of the proposed action; and

''(C) the likely impact of the proposed action on small business concerns (within the meaning of section 3641(h)).

''(c) TRANSFERS OF SUBCLASSES AND OTHER SUBORDINATE UNITS ALLOWABLE.—Nothing in this title shall be considered to prevent transfers under this section from being made by reason of the fact that they would involve only some (but not all) of the subclasses or other subordinate units of the class of mail or type of postal service involved (without regard to satisfaction of minimum quantity requirements standing alone).

''(d) NOTIFICATION AND PUBLICATION REQUIREMENTS.—

''(1) NOTIFICATION REQUIREMENT.—The Postal Service shall, whenever it requests to add a product or transfer a product to a different category, file with the Postal Regulatory Commission and publish in the Federal Register a notice

setting out the basis for its determination that the product satisfies the criteria under subsection (b) and, in the case of a request to add a product or transfer a product to the competitive category of mail, that the product meets the regulations promulgated by the Postal Regulatory Commission pursuant to section 3633. The provisions of section 504(g) shall be available with respect to any information required to be filed.

''(2) PUBLICATION REQUIREMENT.—The Postal Regulatory Commission shall, whenever it changes the list of products in the market-dominant or competitive category of mail, prescribe new lists of products. The revised lists shall indicate how and when any previous lists (including the lists under sections 3621 and 3631) are superseded, and shall be published in the Federal Register.

''(e) NOTIFICATION REQUIREMENT.—The Postal Regulatory Commission shall, whenever it reaches a conclusion that a product or products should be transferred between the list of market-dominant products under section 3621 and the list of competitive products under section 3631, immediately notify the appropriate committees of the Congress. No such transfer may take effect less than 12 months after such conclusion.

''(f) PROHIBITION.—Except as provided in section 3641, no product that involves the carriage of letters, printed matter, or mailable packages may be offered by the Postal Service unless it has been assigned to the market-dominant or competitive category of mail (as appropriate) either—

''(1) under this subchapter; or

''(2) by or under any other provision of law.''.

SEC. 204. REPORTING REQUIREMENTS AND RELATED PROVISIONS.

(a) REDESIGNATION.—Chapter 36 of title 39, United States Code (as in effect before the amendment made by subsection (b)) is amended by striking the heading for subchapter IV and inserting the following:

''SUBCHAPTER V—POSTAL SERVICES, COMPLAINTS, AND JUDICIAL REVIEW''.

(b) REPORTS AND COMPLIANCE.—Chapter 36 of title 39, United States Code, is amended by inserting after subchapter III the following:

''SUBCHAPTER IV—REPORTING REQUIREMENTS AND RELATED PROVISIONS

''§ 3651. Annual reports by the Commission

''(a) IN GENERAL.—The Postal Regulatory Commission shall submit an annual report to the President and the Congress concerning the operations of the Commission under this title, including the extent to which regulations are achieving the objectives under sections 3622 and 3633, respectively.

''(b) ADDITIONAL INFORMATION.—In addition to the information required under subsection (a), each report under this section shall also include, with respect to the period covered by such report, an estimate of the costs incurred by the Postal Service in providing—

''(1) postal services to areas of the Nation where, in the judgment of the Postal Regulatory Commission, the Postal Service either would not provide services at all or would not provide such services in accordance with the requirements of this title if the Postal Service were not required to provide prompt, reliable, and efficient services to patrons in all areas and all communities, including as required under the first sentence of section 101(b);

''(2) free or reduced rates for postal services as required by this title; and

''(3) other public services or activities which, in the judgment of the Postal Regulatory Commission, would not otherwise have been provided by the Postal Service but for the requirements of law.

The Commission shall detail the bases for its estimates and the statutory requirements giving rise to the costs identified in each report under this section.

''(c) INFORMATION FROM POSTAL SERVICE.—The Postal Service shall provide the Postal Regulatory Commission with such information as may, in the judgment of the Commission, be necessary in order for the Commission to prepare its reports under this section.

''§ 3652. Annual reports to the Commission

''(a) COSTS, REVENUES, AND RATES.—Except as provided in subsection (c), the Postal Service shall, no later than 90 days after the end of each year, prepare and submit to the Postal Regulatory Commission a report (together with such nonpublic annex thereto as the Commission may require under subsection (e))—

''(1) which shall analyze costs, revenues, and rates, using such methodologies as the Commission shall by regulation prescribe, and in sufficient detail to demonstrate that the rates in effect for all products during such year complied with all applicable requirements of this title; and

''(2) which shall, for each market-dominant product provided in such year, provide—

''(A) market information, including mail volumes; and

''(B) measures of the quality of service afforded by the Postal Service in connection with such product, including—

''(i) the service standard applicable to such product;

''(ii) the level of service (described in terms of speed of delivery and reliability) provided; and

''(iii) the degree of customer satisfaction with the service provided.

The Inspector General shall regularly audit the data collection systems and procedures utilized in collecting information and preparing such report (including any annex thereto and the information required under subsection (b)). The results of any such audit shall be submitted to the Postal Service and the Postal Regulatory Commission.

''(b) INFORMATION RELATING TO WORKSHARE DISCOUNTS.—

''(1) IN GENERAL.—The Postal Service shall include, in each report under subsection (a), the following information with respect to each market-dominant product for which a workshare discount was in effect during the period covered by such report:

''(A) The per-item cost avoided by the Postal Service by virtue of such discount.

''(B) The percentage of such per-item cost avoided that the per-item workshare discount represents.

''(C) The per-item contribution made to institutional costs.

''(2) WORKSHARE DISCOUNT DEFINED.—For purposes of this subsection, the term 'workshare discount' has the meaning given such term under section 3687.

''(c) MARKET TESTS.—In carrying out subsections (a) and (b) with respect to experimental products offered through market tests under section 3641 in a year, the Postal Service—

''(1) may report summary data on the costs, revenues, and quality of service by market test; and

''(2) shall report such data as the Postal Regulatory Commission requires.

''(d) SUPPORTING MATTER.—The Postal Regulatory Commission shall have access, in accordance with such regulations as the Commission shall prescribe, to the working papers and any other supporting matter of the Postal Service and the Inspector General in connection with any information submitted under this section.

''(e) CONTENT AND FORM OF REPORTS.—

''(1) IN GENERAL.—The Postal Regulatory Commission shall, by regulation, prescribe the content and form of the public reports (and any nonpublic annex and supporting matter relating thereto) to be provided by the Postal Service under this section. In carrying out this subsection, the Commission shall give due consideration to—

''(A) providing the public with adequate information to assess the lawfulness of rates charged;

''(B) avoiding unnecessary or unwarranted administrative effort and expense on the part of the Postal Service; and

''(C) protecting the confidentiality of commercially sensitive information.

''(2) REVISED REQUIREMENTS.—The Commission may, on its own motion or on request of an interested party, initiate proceedings (to be conducted in accordance with regulations that the Commission shall prescribe) to improve the quality, accuracy, or completeness of Postal Service data required by the Commission under this subsection whenever it shall appear that—

''(A) the attribution of costs or revenues to products has become significantly inaccurate or can be significantly improved;

''(B) the quality of service data has become significantly inaccurate or can be significantly improved; or

''(C) those revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.

''(f) CONFIDENTIAL INFORMATION.—

''(1) IN GENERAL.—If the Postal Service determines that any document or portion of a document, or other matter, which it provides to the Postal Regulatory Commission in a nonpublic annex under this section or pursuant to subsection (d) contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission of its determination, in writing, and describe with particularity the documents (or portions of documents) or other matter for which confidentiality is sought and the reasons therefor.

''(2) TREATMENT.—Any information or other matter described in paragraph (1) to which the Commission gains access under this section shall be subject to paragraphs (2) and (3) of section 504(g) in the same way as if the Commission had received notification with respect to such matter under section 504(g)(1).

''(g) OTHER REPORTS.—The Postal Service shall submit to the Postal Regulatory Commission, together with any other submission that it is required to make under this section in a year, copies of its then most recent—

''(1) comprehensive statement under section 2401(e);

''(2) performance plan under section 2803; and

''(3) program performance reports under section 2804.

''§ 3653. Annual determination of compliance

''(a) OPPORTUNITY FOR PUBLIC COMMENT.—After receiving the reports required under section 3652 for any year, the Postal Regulatory Commission shall promptly provide an opportunity for comment on such reports by users of the mails, affected parties, and an officer of the Commission who shall be required to represent the interests of the general public.

''(b) DETERMINATION OF COMPLIANCE OR NONCOMPLIANCE.—Not later than 90 days after receiving the submissions required under section 3652 with respect to a year, the Postal Regulatory Commission shall make a written determination as to—

''(1) whether any rates or fees in effect during such year (for products individually or collectively) were not in compliance with applicable provisions of this chapter (or regulations promulgated thereunder);

''(2) whether any performance goals established under section 2803 or 2804 for such year were not met; and

''(3) whether any market-dominant product failed to meet any service standard during such year.

If, with respect to a year, no instance of noncompliance is found under this subsection to have occurred in such year, the written determination shall be to that effect.

''(c) IF ANY NONCOMPLIANCE IS FOUND.—If, for a year, a timely written determination of

noncompliance is made under subsection (b), the Postal Regulatory Commission shall take appropriate action in accordance with subsections (c)–(e) of section 3662 (as if a complaint averring such noncompliance had been duly filed and found under such section to be justified).

''(d) REBUTTABLE PRESUMPTION.—A timely written determination described in the last sentence of subsection (b) shall, for purposes of any proceeding under section 3662, create a rebuttable presumption of compliance by the Postal Service (with regard to the matters described in paragraphs (1) through (3) of subsection (b)) during the year to which such determination relates.

''§ 3654. Additional financial reporting

''(a) ADDITIONAL FINANCIAL REPORTING.—

''(1) IN GENERAL.—The Postal Service shall file with the Postal Regulatory Commission beginning with the first full fiscal year following the effective date of this section—

''(A) within 35 days after the end of each fiscal quarter, a quarterly report containing the information required by the Securities and Exchange Commission to be included in quarterly reports under sections 13 and 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m, 78o(d)) on Form 10-Q, as such Form (or any successor form) may be revised from time to time;

''(B) within 60 days after the end of each fiscal year, an annual report containing the information required by the Securities and Exchange Commission to be included in annual reports under such sections on Form 10-K, as such Form (or any successor form) may be revised from time to time; and

''(C) periodic reports within the time frame and containing the information prescribed in Form 8-K of the Securities and Exchange Commission, as such Form (or any successor form) may be revised from time to time.

''(2) REGISTRANT DEFINED.—For purposes of defining the reports required by paragraph (1), the Postal Service shall be deemed to be the 'registrant' described in the Securities and Exchange Commission Forms, and references contained in such Forms to Securities and Exchange Commission regulations are incorporated herein by reference, as amended.

''(3) INTERNAL CONTROL REPORT.—For purposes of defining the reports required by paragraph (1)(B), the Postal Service shall comply with the rules prescribed by the Securities and Exchange Commission implementing section 404 of the Sarbanes-Oxley Act of 2002 (15 U.S.C. 7262), beginning with the annual report for fiscal year 2007.

''(b) FINANCIAL REPORTING.—

''(1) The reports required by subsection (a)(1)(B) shall include, with respect to the Postal Service's pension and post-retirement health obligations—

''(A) the funded status of the Postal Service's pension and —postretirement health obligations;

''(B) components of the net change in the fund balances and obligations and the nature and cause of any significant changes;

''(C) components of net periodic costs;

''(D) cost methods and assumptions underlying the relevant actuarial valuations;

''(E) the effect of a one-percentage point increase in the assumed health care cost trend rate for each future year on the service and interest costs components of net periodic post-retirement health cost and the accumulated obligation;

''(F) actual contributions to and payments from the funds for the years presented and the estimated future contributions and payments for each of the following 5 years;

''(G) the composition of plan assets reflected in the fund balances; and

''(H) the assumed rate of return on fund balances and the actual rates of return for the years presented.

''(2)(A) Beginning with reports for the fiscal year 2007, for purposes of the reports required under subparagraphs (A) and (B) of subsection (a)(1), the Postal Service shall include segment reporting.

''(B) The Postal Service shall determine the appropriate segment reporting under subparagraph (A) after consultation with the Postal Regulatory Commission.

''(c) TREATMENT.—For purposes of the reports required by subsection (a)(1)(B), the Postal Service shall obtain an opinion from an independent auditor on whether the information listed in subsection (b) is fairly stated in all material respects, either in relation to the basic financial statements as a whole or on a standalone basis.

''(d) SUPPORTING MATTER.—The Postal Regulatory Commission shall have access to the audit documentation and any other supporting matter of the Postal Service and its independent auditor in connection with any information submitted under this section.

''(e) REVISED REQUIREMENTS.—The Postal Regulatory Commission may, on its own motion or on request of an interested party, initiate proceedings (to be conducted in accordance with regulations that the Commission shall prescribe) to improve the quality, accuracy, or completeness of Postal Service data required under this section whenever it shall appear that—

''(1) the data have become significantly inaccurate or can be significantly improved; or

''(2) those revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.

''(f) CONFIDENTIAL INFORMATION.—

''(1) IN GENERAL.—If the Postal Service determines that any document or portion of a document, or other matter, which it provides to the Postal Regulatory Commission in a nonpublic annex under this section or pursuant to subsection (d) contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission of its determination, in writing, and describe with particularity the documents (or portions of documents) or other matter for which confidentiality is sought and the reasons therefor.

''(2) TREATMENT.—Any information or other matter described in paragraph (1) to which the Commission gains access under this section shall be subject to paragraphs (2) and (3) of section 504(g) in the same way as if the Commission had received notification with respect to such matter under section 504(g)(1).''.

SEC. 205. COMPLAINTS; APPELLATE REVIEW AND ENFORCEMENT.

Chapter 36 of title 39, United States Code, is amended by striking sections 3662 and 3663 and inserting the following:

''§ 3662. Rate and service complaints

''(a) IN GENERAL.—Interested persons (including an officer of the Postal Regulatory Commission representing the interests of the general public) who believe the Postal Service is not operating in conformance with the requirements of chapter 1, 4, or 6, or this chapter (or regulations promulgated under any of those chapters) may lodge a complaint with the Postal Regulatory Commission in such form and manner as the Commission may prescribe.

''(b) PROMPT RESPONSE REQUIRED.—

''(1) IN GENERAL.—The Postal Regulatory Commission shall, within 90 days after receiving a complaint under subsection (a), either—

''(A) begin proceedings on such complaint; or

''(B) issue an order dismissing the complaint (together with a statement of the reasons therefor).

''(2) TREATMENT OF COMPLAINTS NOT TIMELY ACTED ON.—For purposes of section 3663, any complaint under subsection (a) on which the Commission fails to act in the time and manner required by paragraph (1) shall be treated in the same way as if it had been dismissed pursuant to an order issued by the Commission on the last day allowable for the issuance of such order under paragraph (1).

''(c) ACTION REQUIRED IF COMPLAINT FOUND TO BE JUSTIFIED.—If the Postal Regulatory Commission finds the complaint to be justified, it shall order that the Postal Service take such action as the Commission considers appropriate in order to achieve compliance with the applicable requirements and to remedy the effects of any noncompliance (such as ordering unlawful rates to be adjusted to lawful levels, ordering the cancellation of market tests, ordering the Postal Service to discontinue providing loss-making products, or requiring the Postal Service to make up for revenue shortfalls in competitive products).

''(d) SUSPENSION AUTHORITY.—The Postal Regulatory Commission may suspend implementation of rates or classifications under section 3632(b)(3) for a limited period of time pending expedited proceedings under this section. In evaluating whether circumstances warrant suspension, the Commission shall consider factors such as (1) whether there is a substantial likelihood that such rate or classification will violate the requirements of chapter 1, 4, or 6, or this chapter (or regulations promulgated under any of those chapters), (2) whether any persons would suffer substantial injury, loss, or damage absent a suspension, (3) whether the Postal Service or any other persons would suffer substantial injury, loss, or damage under a suspension, and (4) the public interest.

''(e) AUTHORITY TO ORDER FINES IN CASES OF DELIBERATE NONCOMPLIANCE.—In addition, in cases of deliberate noncompliance by the Postal Service with the requirements of this title, the Postal Regulatory Commission may order, based on the nature, circumstances, extent, and seriousness of the noncompliance, a fine (in the amount specified by the Commission in its order) for each incidence of noncompliance. Fines resulting from the provision of competitive products shall be paid out of the Competitive Products Fund established in section 2011. All receipts from fines imposed under this subsection shall be deposited in the general fund of the Treasury of the United States.

''§ 3663. Appellate review

''A person adversely affected or aggrieved by a final order or decision of the Postal Regulatory Commission may, within 30 days after such order or decision becomes final, institute proceedings for review thereof by filing a petition in the United States Court of Appeals for the District of Columbia. The court shall review the order or decision in accordance with section 706 of title 5, and chapter 158 and section 2112 of title 28, on the basis of the record before the Commission. For purposes of this section, the term 'person' includes the Postal Service.

''§ 3664. Enforcement of orders

''The several district courts have jurisdiction specifically to enforce, and to enjoin and restrain the Postal Service from violating, any order issued by the Postal Regulatory Commission.''.

SEC. 206. WORKSHARE DISCOUNTS.

(a) IN GENERAL.—Title 39, United States Code, is amended by adding after section 3686 (as added by section 406) the following:

''§ 3687. Workshare discounts

''(a) IN GENERAL.—As part of the regulations established under section 3622(a), the Postal Regulatory Commission shall establish rules for workshare discounts that ensure that such discounts do not exceed the cost that the Postal Service avoids as the result of workshare activity, unless—

''(1) the discount is—

''(A) associated with a new postal service, a change to an existing postal service, or a new workshare initiative related to an existing postal service; and

''(B) necessary to induce mailer behavior that furthers the economically efficient operation of

the Postal Service and the portion of the discount in excess of the cost that the Postal Service avoids as a result of the workshare activity will be phased out over a limited period of time;

''(2) a reduction in the discount would—

''(A) lead to a loss of volume in the affected category or subclass of mail and reduce the aggregate contribution to the institutional costs of the Postal Service from the category or subclass subject to the discount below what it otherwise would have been if the discount had not been reduced to costs avoided;

''(B) result in a further increase in the rates paid by mailers not able to take advantage of the discount; or

''(C) impede the efficient operation of the Postal Service;

''(3) the amount of the discount above costs avoided—

''(A) is necessary to mitigate rate shock; and

''(B) will be phased out over time; or

''(4) the discount is provided in connection with subclasses of mail consisting exclusively of mail matter of educational, cultural, scientific, or informational value.

''(b) REPORT.—Whenever the Postal Service establishes or maintains a workshare discount, the Postal Service shall, at the time it publishes the workshare discount rate, submit to the Postal Regulatory Commission a detailed report that—

''(1) explains the Postal Service's reasons for establishing or maintaining the rate;

''(2) sets forth the data, economic analyses, and other information relied on by the Postal Service to justify the rate; and

''(3) certifies that the discount will not adversely affect rates or services provided to users of postal services who do not take advantage of the discount rate.

''(c) DEFINITION.—For purposes of this section, the term 'workshare discount' refers to rate discounts provided to mailers for the presorting, prebarcoding, handling, or transportation of mail, as further defined by the Postal Regulatory Commission under section 3622(a).''.

(b) CLERICAL AMENDMENT.—The analysis for chapter 36 of title 39, United States Code (as amended by section 207) is amended by adding after the item relating to section 3686 the following:

''3687. Workshare discounts.''.

SEC. 207. CLERICAL AMENDMENT.

Chapter 36 of title 39, United States Code, is amended by striking the heading and analysis for such chapter and inserting the following:

"CHAPTER 36—POSTAL RATES, CLASSES AND SERVICES

''SUBCHAPTER I—PROVISIONS RELATING TO MARKET-DOMINANT PRODUCTS

''Sec.
''3621. Applicability; definitions.
''3622. Modern rate regulation.
''3626. Reduced rates.
''3627. Adjusting free rates.
''3629. Reduced rates for voter registration purposes.

''SUBCHAPTER II—PROVISIONS RELATING TO COMPETITIVE PRODUCTS

''3631. Applicability; definitions and updates.
''3632. Action of the Governors.
''3633. Provisions applicable to rates for competitive products.
''3634. Assumed Federal income tax on competitive products.

''SUBCHAPTER III—PROVISIONS RELATING TO EXPERIMENTAL AND NEW PRODUCTS

''3641. Market tests of experimental products.
''3642. New products and transfers of products between the market-dominant and competitive categories of mail.

''SUBCHAPTER IV—REPORTING REQUIREMENTS AND RELATED PROVISIONS

''3651. Annual reports by the Commission.
''3652. Annual reports to the Commission.
''3653. Annual determination of compliance.
''3654. Additional financial reporting.

''SUBCHAPTER V—POSTAL SERVICES, COMPLAINTS, AND JUDICIAL REVIEW

''3661. Postal services.
''3662. Rate and service complaints.
''3663. Appellate review.
''3664. Enforcement of orders.

''SUBCHAPTER VI—GENERAL

''3681. Reimbursement.
''3682. Size and weight limits.
''3683. Uniform rates for books; films, other materials.
''3684. Limitations.
''3685. Filing of information relating to periodical publications.
''3686. Bonus authority.''.

TITLE III—PROVISIONS RELATING TO FAIR COMPETITION

SEC. 301. POSTAL SERVICE COMPETITIVE PRODUCTS FUND.

(a) PROVISIONS RELATING TO POSTAL SERVICE COMPETITIVE PRODUCTS FUND AND RELATED MATTERS.—

(1) IN GENERAL.—Chapter 20 of title 39, United States Code, is amended by adding at the end the following:

"§2011. Provisions relating to competitive products

''(a) There is established in the Treasury of the United States a revolving fund, to be called the Postal Service Competitive Products Fund, which shall be available to the Postal Service without fiscal year limitation for the payment of—

''(1) costs attributable to competitive products; and

''(2) all other costs incurred by the Postal Service, to the extent allocable to competitive products.

For purposes of this subsection, the term 'costs attributable' has the meaning given such term by section 3631.

''(b) There shall be deposited in the Competitive Products Fund, subject to withdrawal by the Postal Service—

''(1) revenues from competitive products;

''(2) amounts received from obligations issued by the Postal Service under subsection (e);

''(3) interest and dividends earned on investments of the Competitive Products Fund; and

''(4) any other receipts of the Postal Service (including from the sale of assets), to the extent allocable to competitive products.

''(c) If the Postal Service determines that the moneys of the Competitive Products Fund are in excess of current needs, it may request the investment of such amounts as it deems advisable by the Secretary of the Treasury in obligations of, or obligations guaranteed by, the Government of the United States, and, with the approval of the Secretary, in such other obligations or securities as it deems appropriate.

''(d) With the approval of the Secretary of the Treasury, the Postal Service may deposit moneys of the Competitive Products Fund in any Federal Reserve bank, any depository for public funds, or in such other places and in such manner as the Postal Service and the Secretary may mutually agree.

''(e)(1) Subject to the limitations specified in section 2005(a), the Postal Service is authorized to borrow money and to issue and sell such obligations as it determines necessary to provide for competitive products and deposit such amounts in the Competitive Products Fund. Any such borrowings by the Postal Service shall be supported and serviced by the revenues and receipts from competitive products and the assets related to the provision of competitive products (as determined under subsection (h) or, for purposes of any period before accounting practices and principles under subsection (h) have been established and applied, the best information available from the Postal Service, including the audited statements required by section 2008(e), but in either case subject to paragraph (5)).

''(2) The Postal Service may enter into binding covenants with the holders of such obligations, and with the trustee, if any, under any agreement entered into in connection with the issuance thereof with respect to—

''(A) the establishment of reserve, sinking, and other funds;

''(B) application and use of revenues and receipts of the Competitive Products Fund;

''(C) stipulations concerning the subsequent issuance of obligations or the execution of leases or lease purchases relating to properties of the Postal Service; and

''(D) such other matters as the Postal Service considers necessary or desirable to enhance the marketability of such obligations.

''(3) The obligations issued by the Postal Service under this section—

''(A) shall be in such forms and denominations;

''(B) shall be sold at such times and in such amounts;

''(C) shall mature at such time or times;

''(D) shall be sold at such prices;

''(E) shall bear such rates of interest;

''(F) may be redeemable before maturity in such manner, at such times, and at such redemption premiums;

''(G) may be entitled to such relative priorities of claim on the assets of the Postal Service with respect to principal and interest payments; and

''(H) shall be subject to such other terms and conditions;

as the Postal Service determines.

''(4) Obligations issued by the Postal Service under this subsection—

''(A) shall be negotiable or nonnegotiable and bearer or registered instruments, as specified therein and in any indenture or covenant relating thereto;

''(B) shall contain a recital that they are issued under this section, and such recital shall be conclusive evidence of the regularity of the issuance and sale of such obligations and of their validity;

''(C) shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds, the investment or deposit of which shall be under the authority or control of any officer or agency of the Government of the United States, and the Secretary of the Treasury or any other officer or agency having authority over or control of any such fiduciary, trust, or public funds, may at any time sell any of the obligations of the Postal Service acquired under this section;

''(D) shall not be exempt either as to principal or interest from any taxation now or hereafter imposed by any State or local taxing authority; and

''(E) except as provided in section 2006(c) of this title, shall not be obligations of, nor shall payment of the principal thereof or interest thereon be guaranteed by, the Government of the United States, and the obligations shall so plainly state.

''(5) The Postal Service shall make payments of principal, or interest, or both on obligations issued under this section out of revenues and receipts from competitive products and assets related to the provision of competitive products (as determined under subsection (h) or, for purposes of any period before accounting practices and principles under subsection (h) have been established and applied, the best information available, including the audited statements required by section 2008(e)). For purposes of this subsection, the total assets of the Competitive Products Fund shall be the greater of—

''(A) the assets related to the provision of competitive products; or

''(B) the percentage of total Postal Service revenues and receipts from competitive products times the total assets of the Postal Service.

''(f) The receipts and disbursements of the Competitive Products Fund shall be accorded the same budgetary treatment as is accorded to receipts and disbursements of the Postal Service Fund under section 2009a.

''(g) A judgment against the Postal Service or the Government of the United States (or settlement of a claim) shall, to the extent that it arises out of activities of the Postal Service in the provision of competitive products, be paid out of the Competitive Products Fund.

''(h)(1) The Secretary of the Treasury, in consultation with the Postal Service and an independent, certified public accounting firm and such other advisors as the Secretary considers appropriate, shall develop recommendations regarding—

''(A) the accounting practices and principles that should be followed by the Postal Service with the objectives of (i) identifying and valuing the assets and liabilities of the Postal Service associated with providing, and the capital and operating costs incurred by the Postal Service in providing, competitive products, and (ii) subject to subsection (e)(5), preventing the subsidization of such products by market-dominant products; and

''(B) the substantive and procedural rules that should be followed in determining the Postal Service's assumed Federal income tax on competitive products income for any year (within the meaning of section 3634).

Such recommendations shall be submitted to the Postal Regulatory Commission no earlier than 6 months, and no later than 12 months, after the effective date of this section.

''(2)(A) Upon receiving the recommendations of the Secretary of the Treasury under paragraph (1), the Commission shall give interested parties, including the Postal Service, users of the mails, and an officer of the Commission who shall be required to represent the interests of the general public, an opportunity to present their views on those recommendations through submission of written data, views, or arguments, with or without opportunity for oral presentation, or in such other manner as the Commission considers appropriate.

''(B) After due consideration of the views and other information received under subparagraph (A), the Commission shall by rule—

''(i) provide for the establishment and application of the accounting practices and principles which shall be followed by the Postal Service;

''(ii) provide for the establishment and application of the substantive and procedural rules described in paragraph (1)(B); and

''(iii) provide for the submission by the Postal Service to the Postal Regulatory Commission of annual and other periodic reports setting forth such information as the Commission may require.

Final rules under this subparagraph shall be issued not later than 12 months after the date on which the Secretary of the Treasury makes his submission to the Commission under paragraph (1) (or by such later date as the Commission and the Postal Service may agree to). The Commission is authorized to promulgate regulations revising such rules.

''(C) Reports described in subparagraph (B)(iii) shall be submitted at such time and in such form, and shall include such information, as the Commission by rule requires. The Commission may, on its own motion or on request of an interested party, initiate proceedings (to be conducted in accordance with such rules as the Commission shall prescribe) to improve the quality, accuracy, or completeness of Postal Service data under such subparagraph whenever it shall appear that—

''(i) the quality of the information furnished in those reports has become significantly inaccurate or can be significantly improved; or

''(ii) those revisions are, in the judgment of the Commission, otherwise necessitated by the public interest.

''(D) A copy of each report described in subparagraph (B)(iii) shall also be transmitted by the Postal Service to the Secretary of the Treasury and the Inspector General of the United States Postal Service.

''(i) The Postal Service shall render an annual report to the Secretary of the Treasury concerning the operation of the Competitive Products Fund, in which it shall address such matters as risk limitations, reserve balances, allocation or distribution of moneys, liquidity requirements, and measures to safeguard against losses. A copy of its then most recent report under this subsection shall be included with any other submission that it is required to make to the Postal Regulatory Commission under section 3652(g).''.

(2) CLERICAL AMENDMENT.—The analysis for chapter 20 of title 39, United States Code, is amended by adding after the item relating to section 2010 the following:

''2011. Provisions relating to competitive products.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) DEFINITION.—Section 2001 of title 39, United States Code, is amended by striking ''and'' at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

''(2) 'Competitive Products Fund' means the Postal Service Competitive Products Fund established by section 2011; and''.

(2) CAPITAL OF THE POSTAL SERVICE.—Section 2002(b) of title 39, United States Code, is amended by striking ''Fund,'' and inserting ''Fund and the balance in the Competitive Products Fund,''.

(3) POSTAL SERVICE FUND.—

(A) PURPOSES FOR WHICH AVAILABLE.—Section 2003(a) of title 39, United States Code, is amended by striking ''title.'' and inserting ''title (other than any of the purposes, functions, or powers for which the Competitive Products Fund is available).''.

(B) DEPOSITS.—Section 2003(b) of title 39, United States Code, is amended by striking ''There'' and inserting ''Except as otherwise provided in section 2011, there''.

(4) RELATIONSHIP BETWEEN THE TREASURY AND THE POSTAL SERVICE.—Section 2006 of title 39, United States Code, is amended—

(A) in subsection (a), by inserting ''or section 2011'' before ''of this title,'';

(B) in subsection (b), by inserting ''under section 2005'' before ''in such amounts'' in the first sentence and before ''in excess of such amount.'' in the second sentence; and

(C) in subsection (c), by inserting ''or section 2011(e)(4)(E)'' before ''of this title,''.

SEC. 302. ASSUMED FEDERAL INCOME TAX ON COMPETITIVE PRODUCTS INCOME.

Subchapter II of chapter 36 of title 39, United States Code, as amended by section 202, is amended by adding at the end the following:

''§ 3634. Assumed Federal income tax on competitive products income

''(a) DEFINITIONS.—For purposes of this section—

''(1) the term 'assumed Federal income tax on competitive products income' means the net income tax that would be imposed by chapter 1 of the Internal Revenue Code of 1986 on the Postal Service's assumed taxable income from competitive products for the year; and

''(2) the term 'assumed taxable income from competitive products', with respect to a year, refers to the amount representing what would be the taxable income of a corporation under the Internal Revenue Code of 1986 for the year, if—

''(A) the only activities of such corporation were the activities of the Postal Service allocable under section 2011(h) to competitive products; and

''(B) the only assets held by such corporation were the assets of the Postal Service allocable under section 2011(h) to such activities.

''(b) COMPUTATION AND TRANSFER REQUIREMENTS.—The Postal Service shall, for each year beginning with the year in which occurs the deadline for the Postal Service's first report to the Postal Regulatory Commission under section 3652(a)—

''(1) compute its assumed Federal income tax on competitive products income for such year; and

''(2) transfer from the Competitive Products Fund to the Postal Service Fund the amount of that assumed tax.

''(c) DEADLINE FOR TRANSFERS.—Any transfer required to be made under this section for a year shall be due on or before the January 15th next occurring after the close of such year.''.

SEC. 303. UNFAIR COMPETITION PROHIBITED.

(a) SPECIFIC LIMITATIONS.—Chapter 4 of title 39, United States Code, is amended by adding after section 404 the following:

''§ 404a. Specific Limitations

''(a) Except as specifically authorized by law, the Postal Service may not—

''(1) establish any rule or regulation (including any standard) the effect of which is to preclude competition or establish the terms of competition unless the Postal Service demonstrates that the regulation does not create an unfair competitive advantage for itself or any entity funded (in whole or in part) by the Postal Service;

''(2) compel the disclosure, transfer, or licensing of intellectual property to any third party (such as patents, copyrights, trademarks, trade secrets, and proprietary information); or

''(3) obtain information from a person that provides (or seeks to provide) any product, and then offer any product or service that uses or is based in whole or in part on such information, without the consent of the person providing that information, unless substantially the same information is obtained (or obtainable) from an independent source or is otherwise obtained (or obtainable).

''(b) The Postal Regulatory Commission shall prescribe regulations to carry out this section.

''(c) Any party (including an officer of the Commission representing the interests of the general public) who believes that the Postal Service has violated this section may bring a complaint in accordance with section 3662.''.

(b) CONFORMING AMENDMENTS.—

(1) GENERAL POWERS.—Section 401 of title 39, United States Code, is amended by striking ''The'' and inserting ''Subject to the provisions of section 404a, the''.

(2) SPECIFIC POWERS.—Section 404(a) of title 39, United States Code, is amended by striking ''Without'' and inserting ''Subject to the provisions of section 404a, but otherwise without''.

(c) CLERICAL AMENDMENT.—The analysis for chapter 4 of title 39, United States Code, is amended by inserting after the item relating to section 404 the following:

''404a. Specific limitations.''.

SEC. 304. SUITS BY AND AGAINST THE POSTAL SERVICE.

(a) IN GENERAL.—Section 409 of title 39, United States Code, is amended by striking subsections (d) and (e) and inserting the following:

''(d)(1) For purposes of the provisions of law cited in paragraphs (2)(A) and (2)(B), respectively, the Postal Service—

''(A) shall be considered to be a 'person', as used in the provisions of law involved; and

''(B) shall not be immune under any other doctrine of sovereign immunity from suit in Federal court by any person for any violation of any of those provisions of law by any officer or employee of the Postal Service.

''(2) This subsection applies with respect to—

''(A) the Act of July 5, 1946 (commonly referred to as the 'Trademark Act of 1946' (15 U.S.C. 1051 and following)); and

''(B) the provisions of section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair or deceptive acts or practices.

''(e)(1) To the extent that the Postal Service, or other Federal agency acting on behalf of or in concert with the Postal Service, engages in conduct with respect to any competitive product, the Postal Service or other Federal agency (as the case may be)—

''(A) shall not be immune under any doctrine of sovereign immunity from suit in Federal court by any person for any violation of Federal law by such agency or any officer or employee thereof; and

''(B) shall be considered to be a person (as defined in subsection (a) of the first section of the Clayton Act) for purposes of—

''(i) the antitrust laws (as defined in such subsection); and

''(ii) section 5 of the Federal Trade Commission Act to the extent that such section 5 applies to unfair methods of competition.

''(2) No damages, interest on damages, costs or attorney's fees may be recovered, and no criminal liability may be imposed, under the antitrust laws (as so defined) from any officer or employee of the Postal Service, or other Federal agency acting on behalf of or in concert with the Postal Service, acting in an official capacity.

''(3) This subsection shall not apply with respect to conduct occurring before the date of the enactment of this subsection.

''(f)(1) Each building constructed or altered by the Postal Service shall be constructed or altered, to the maximum extent feasible as determined by the Postal Service, in compliance with one of the nationally recognized model building codes and with other applicable nationally recognized codes.

''(2) Each building constructed or altered by the Postal Service shall be constructed or altered only after consideration of all requirements (other than procedural requirements) of zoning laws, land use laws, and applicable environmental laws of a State or subdivision of a State which would apply to the building if it were not a building constructed or altered by an establishment of the Government of the United States.

''(3) For purposes of meeting the requirements of paragraphs (1) and (2) with respect to a building, the Postal Service shall—

''(A) in preparing plans for the building, consult with appropriate officials of the State or political subdivision, or both, in which the building will be located;

''(B) upon request, submit such plans in a timely manner to such officials for review by such officials for a reasonable period of time not exceeding 30 days; and

''(C) permit inspection by such officials during construction or alteration of the building, in accordance with the customary schedule of inspections for construction or alteration of buildings in the locality, if such officials provide to the Postal Service—

''(i) a copy of such schedule before construction of the building is begun; and

''(ii) reasonable notice of their intention to conduct any inspection before conducting such inspection.

Nothing in this subsection shall impose an obligation on any State or political subdivision to take any action under the preceding sentence, nor shall anything in this subsection require the Postal Service or any of its contractors to pay for any action taken by a State or political subdivision to carry out this subsection (including reviewing plans, carrying out on-site inspections, issuing building permits, and making recommendations).

''(4) Appropriate officials of a State or a political subdivision of a State may make recommendations to the Postal Service concerning measures necessary to meet the requirements of paragraphs (1) and (2). Such officials may also make recommendations to the Postal Service concerning measures which should be taken in the construction or alteration of the building to take into account local conditions. The Postal Service shall give due consideration to any such recommendations.

''(5) In addition to consulting with local and State officials under paragraph (3), the Postal Service shall establish procedures for soliciting, assessing, and incorporating local community input on real property and land use decisions.

''(6) For purposes of this subsection, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and a territory or possession of the United States.

''(g)(1) Notwithstanding any other provision of law, legal representation may not be furnished by the Department of Justice to the Postal Service in any action, suit, or proceeding arising, in whole or in part, under any of the following:

''(A) Subsection (d) or (e) of this section.

''(B) Subsection (f) or (g) of section 504 (relating to administrative subpoenas by the Postal Regulatory Commission).

''(C) Section 3663 (relating to appellate review).

The Postal Service may, by contract or otherwise, employ attorneys to obtain any legal representation that it is precluded from obtaining from the Department of Justice under this paragraph.

''(2) In any circumstance not covered by paragraph (1), the Department of Justice shall, under section 411, furnish the Postal Service such legal representation as it may require, except that, with the prior consent of the Attorney General, the Postal Service may, in any such circumstance, employ attorneys by contract or otherwise to conduct litigation brought by or against the Postal Service or its officers or employees in matters affecting the Postal Service.

''(3)(A) In any action, suit, or proceeding in a court of the United States arising in whole or in part under any of the provisions of law referred to in subparagraph (B) or (C) of paragraph (1), and to which the Commission is not otherwise a party, the Commission shall be permitted to appear as a party on its own motion and as of right.

''(B) The Department of Justice shall, under such terms and conditions as the Commission and the Attorney General shall consider appropriate, furnish the Commission such legal representation as it may require in connection with any such action, suit, or proceeding, except that, with the prior consent of the Attorney General, the Commission may employ attorneys by contract or otherwise for that purpose.

''(h) A judgment against the Government of the United States arising out of activities of the Postal Service shall be paid by the Postal Service out of any funds available to the Postal Service, subject to the restriction specified in section 2011(g).''.

(b) TECHNICAL AMENDMENT.—Section 409(a) of title 39, United States Code, is amended by striking ''Except as provided in section 3628 of this title,'' and inserting ''Except as otherwise provided in this title,''.

SEC. 305. INTERNATIONAL POSTAL ARRANGEMENTS.

(a) IN GENERAL.—Section 407 of title 39, United States Code, is amended to read as follows:

''§ 407. International postal arrangements

''(a) It is the policy of the United States—

''(1) to promote and encourage communications between peoples by efficient operation of international postal services and other international delivery services for cultural, social, and economic purposes;

''(2) to promote and encourage unrestricted and undistorted competition in the provision of international postal services and other international delivery services, except where provision of such services by private companies may be prohibited by law of the United States;

''(3) to promote and encourage a clear distinction between governmental and operational responsibilities with respect to the provision of international postal services and other international delivery services by the Government of the United States and by intergovernmental organizations of which the United States is a member; and

''(4) to participate in multilateral and bilateral agreements with other countries to accomplish these objectives.

''(b)(1) The Secretary of State shall be responsible for formulation, coordination, and oversight of foreign policy related to international postal services and other international delivery services, and shall have the power to conclude treaties, conventions and amendments related to international postal services and other international delivery services, except that the Secretary may not conclude any treaty, convention, or other international agreement (including those regulating international postal services) if such treaty, convention, or agreement would, with respect to any competitive product, grant an undue or unreasonable preference to the Postal Service, a private provider of international postal or delivery services, or any other person.

''(2) In carrying out the responsibilities specified in paragraph (1), the Secretary of State shall exercise primary authority for the conduct of foreign policy with respect to international postal services and international delivery services, including the determination of United States positions and the conduct of United States participation in negotiations with foreign governments and international bodies. In exercising this authority, the Secretary—

''(A) shall coordinate with other agencies as appropriate, and in particular, shall give full consideration to the authority vested by law or Executive order in the Postal Regulatory Commission, the Department of Commerce, the Department of Transportation, and the Office of the United States Trade Representative in this area;

''(B) shall maintain continuing liaison with other executive branch agencies concerned with postal and delivery services;

''(C) shall maintain continuing liaison with the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate;

''(D) shall maintain appropriate liaison with both representatives of the Postal Service and representatives of users and private providers of international postal services and other international delivery services to keep informed of their interests and problems, and to provide such assistance as may be needed to ensure that matters of concern are promptly considered by the Department of State or (if applicable, and to the extent practicable) other executive branch agencies; and

''(E) shall assist in arranging meetings of such public sector advisory groups as may be established to advise the Department of State and other executive branch agencies in connection with international postal services and international delivery services.

''(3) The Secretary of State shall establish an advisory committee (within the meaning of the Federal Advisory Committee Act) to perform such functions as the Secretary considers appropriate in connection with carrying out subparagraphs (A) through (D) of paragraph (2).

''(c)(1) Before concluding any treaty, convention, or amendment that establishes a rate or classification for a product subject to subchapter I of chapter 36, the Secretary of State shall request the Postal Regulatory Commission to submit a decision on whether such rate or classification is consistent with the standards and criteria established by the Commission under section 3622.

''(2) The Secretary shall ensure that each treaty, convention, or amendment concluded under subsection (b) is consistent with a decision of the Commission adopted under paragraph (1), except if, or to the extent, the Secretary determines, by written order, that considerations of foreign policy or national security require modification of the Commission's decision.

''(d) Nothing in this section shall be considered to prevent the Postal Service from entering

into such commercial or operational contracts related to providing international postal services and other international delivery services as it deems appropriate, except that—

''(1) any such contract made with an agency of a foreign government (whether under authority of this subsection or otherwise) shall be solely contractual in nature and may not purport to be international law; and

''(2) a copy of each such contract between the Postal Service and an agency of a foreign government shall be transmitted to the Secretary of State and the Postal Regulatory Commission not later than the effective date of such contract.

''(e)(1) With respect to shipments of international mail that are competitive products within the meaning of section 3631 that are exported or imported by the Postal Service, the Bureau of Customs and Border Protection of the Department of Homeland Security and other appropriate Federal agencies shall apply the customs laws of the United States and all other laws relating to the importation or exportation of such shipments in the same manner to both shipments by the Postal Service and similar shipments by private companies.

''(2) For purposes of this subsection, the term 'private company' means a private company substantially owned or controlled by persons who are citizens of the United States.

''(3) In exercising the authority pursuant to subsection (b) to conclude new treaties, conventions and amendments related to international postal services and to renegotiate such treaties, conventions and amendments, the Secretary of State shall, to the maximum extent practicable, take such measures as are within the Secretary's control to encourage the governments of other countries to make available to the Postal Service and private companies a range of nondiscriminatory customs procedures that will fully meet the needs of all types of American shippers. The Secretary of State shall consult with the United States Trade Representative and the Commissioner of Customs, Department of Homeland Security in carrying out this paragraph.

''(4) The provisions of this subsection shall take effect 6 months after the date of the enactment of this subsection or such earlier date as the Bureau of Customs and Border Protection of the Department of Homeland Security may determine in writing.''.

(b) EFFECTIVE DATE.—Notwithstanding any provision of the amendment made by subsection (a), the authority of the United States Postal Service to establish the rates of postage or other charges on mail matter conveyed between the United States and other countries shall remain available to the Postal Service until—

(1) with respect to market-dominant products, the date as of which the regulations promulgated under section 3622 of title 39, United States Code (as amended by section 201(a)) take effect; and

(2) with respect to competitive products, the date as of which the regulations promulgated under section 3633 of title 39, United States Code (as amended by section 202) take effect.

SEC. 306. REDESIGNATION.

Chapter 36 of title 39, United States Code (as in effect before the amendment made by section 204(a)) is amended by striking the heading for subchapter V and inserting the following:

''SUBCHAPTER VI—GENERAL''.

TITLE IV—GENERAL PROVISIONS

SEC. 401. QUALIFICATION REQUIREMENTS FOR GOVERNORS.

(a) IN GENERAL.—Section 202(a) of title 39, United States Code, is amended by striking ''(a)'' and inserting ''(a)(1)'' and by striking the fourth sentence and inserting the following: ''The Governors shall represent the public interest generally, and at least 4 of the Governors shall be chosen solely on the basis of their demonstrated ability in managing organizations or corporations (in either the public or private sector) of substantial size; for purposes of this sentence, an organization or corporation shall be considered to be of substantial size if it employs at least 50,000 employees. The Governors shall not be representatives of specific interests using the Postal Service, and may be removed only for cause.''.

(b) CONSULTATION REQUIREMENT.—Section 202(a) of title 39, United States Code, is amended by adding at the end the following:

''(2) In selecting the individuals described in paragraph (1) for nomination for appointment to the position of Governor, the President should consult with the Speaker of the House of Representatives, the minority leader of the House of Representatives, the majority leader of the Senate, and the minority leader of the Senate.''.

(c) RESTRICTION.—Section 202(b) of title 39, United States Code, is amended by striking ''(b)'' and inserting ''(b)(1)'', and by adding at the end the following:

''(2)(A) Notwithstanding any other provision of this section, in the case of the office of the Governor the term of which is the first one scheduled to expire at least 4 months after the date of the enactment of this paragraph—

''(i) such office may not, in the case of any person commencing service after that expiration date, be filled by any person other than an individual chosen from among persons nominated for such office with the unanimous concurrence of all labor organizations described in section 206(a)(1); and

''(ii) instead of the term that would otherwise apply under the first sentence of paragraph (1), the term of any person so appointed to such office shall be 3 years.

''(B) Except as provided in subparagraph (A), an appointment under this paragraph shall be made in conformance with all provisions of this section that would otherwise apply.''.

(d) APPLICABILITY.—The amendment made by subsection (a) shall not affect the appointment or tenure of any person serving as a Governor of the Board of Governors of the United States Postal Service pursuant to an appointment made before the date of the enactment of this Act, or, except as provided in the amendment made by subsection (c), any nomination made before that date; however, when any such office becomes vacant, the appointment of any person to fill that office shall be made in accordance with such amendment. The requirement set forth in the fourth sentence of section 202(a)(1) of title 39, United States Code (as amended by subsection (a)) shall be met beginning not later than 9 years after the date of the enactment of this Act.

SEC. 402. OBLIGATIONS.

(a) PURPOSES FOR WHICH OBLIGATIONS MAY BE ISSUED.—The first sentence of section 2005(a)(1) of title 39, United States Code, is amended by striking ''title.'' and inserting ''title, other than any of the purposes for which the corresponding authority is available to the Postal Service under section 2011.''.

(b) LIMITATION ON NET ANNUAL INCREASE IN OBLIGATIONS ISSUED FOR CERTAIN PURPOSES.—The third sentence of section 2005(a)(1) of title 39, United States Code, is amended to read as follows: ''In any one fiscal year, the net increase in the amount of obligations outstanding issued for the purpose of capital improvements and the net increase in the amount of obligations outstanding issued for the purpose of defraying operating expenses of the Postal Service shall not exceed a combined total of $3,000,000,000.'' .

(c) LIMITATIONS ON OBLIGATIONS OUTSTANDING.—

(1) IN GENERAL.—Subsection (a) of section 2005 of title 39, United States Code, is amended by adding at the end the following:

''(3) For purposes of applying the respective limitations under this subsection, the aggregate amount of obligations issued by the Postal Service which are outstanding as of any one time, and the net increase in the amount of obligations outstanding issued by the Postal Service for the purpose of capital improvements or for the purpose of defraying operating expenses of the Postal Service in any fiscal year, shall be determined by aggregating the relevant obligations issued by the Postal Service under this section with the relevant obligations issued by the Postal Service under section 2011.''.

(2) CONFORMING AMENDMENT.—The second sentence of section 2005(a)(1) of title 39, United States Code, is amended by striking ''any such obligations'' and inserting ''obligations issued by the Postal Service which may be''.

(d) AMOUNTS WHICH MAY BE PLEDGED, ETC.—

(1) OBLIGATIONS TO WHICH PROVISIONS APPLY.—The first sentence of section 2005(b) of title 39, United States Code, is amended by striking ''such obligations,'' and inserting ''obligations issued by the Postal Service under this section,''.

(2) ASSETS, REVENUES, AND RECEIPTS TO WHICH PROVISIONS APPLY.—Subsection (b) of section 2005 of title 39, United States Code, is amended by striking ''(b)'' and inserting ''(b)(1)'', and by adding at the end the following:

''(2) Notwithstanding any other provision of this section—

''(A) the authority to pledge assets of the Postal Service under this subsection shall be available only to the extent that such assets are not related to the provision of competitive products (as determined under section 2011(h) or, for purposes of any period before accounting practices and principles under section 2011(h) have been established and applied, the best information available from the Postal Service, including the audited statements required by section 2008(e)); and

''(B) any authority under this subsection relating to the pledging or other use of revenues or receipts of the Postal Service shall be available only to the extent that they are not revenues or receipts of the Competitive Products Fund.''.

SEC. 403. PRIVATE CARRIAGE OF LETTERS.

(a) IN GENERAL.—Section 601 of title 39, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) A letter may also be carried out of the mails when—

''(1) the amount paid for the private carriage of the letter is at least the amount equal to 6 times the rate then currently charged for the 1st ounce of a single-piece first class letter;

''(2) the letter weighs at least 12½ ounces; or

''(3) such carriage is within the scope of services described by regulations of the Postal Service (including, in particular, sections 310.1 and 320.2–320.8 of title 39 of the Code of Federal Regulations, as in effect on July 1, 2004) that purport to permit private carriage by suspension of the operation of this section (as then in effect).

''(c) Any regulations necessary to carry out this section shall be promulgated by the Postal Regulatory Commission.''.

(b) EFFECTIVE DATE.—This section shall take effect on the date as of which the regulations promulgated under section 3633 of title 39, United States Code (as amended by section 202) take effect.

SEC. 404. RULEMAKING AUTHORITY.

Paragraph (2) of section 401 of title 39, United States Code, is amended to read as follows:

''(2) to adopt, amend, and repeal such rules and regulations, not inconsistent with this title, as may be necessary in the execution of its functions under this title and such other functions as may be assigned to the Postal Service under any provisions of law outside of this title;''.

SEC. 405. NONINTERFERENCE WITH COLLECTIVE BARGAINING AGREEMENTS, ETC.

(a) NONINTERFERENCE WITH COLLECTIVE BARGAINING AGREEMENTS.—Except as provided in section 407, nothing in this Act or any amendment made by this Act shall restrict, expand, or otherwise affect any of the rights, privileges, or

benefits of either employees of or labor organizations representing employees of the United States Postal Service under chapter 12 of title 39, United States Code, the National Labor Relations Act, any handbook or manual affecting employee labor relations within the United States Postal Service, or any collective bargaining agreement.

(b) FREE MAILING PRIVILEGES CONTINUE UNCHANGED.—Nothing in this Act or any amendment made by this Act shall affect any free mailing privileges accorded under section 3217 or sections 3403 through 3406 of title 39, United States Code.

SEC. 406. BONUS AND COMPENSATION AUTHORITY.

Subchapter VI of chapter 36 of title 39, United States Code (as so redesignated by section 306) is amended by adding at the end the following:

"§ 3686. Bonus authority

''(a) IN GENERAL.—The Postal Service may establish one or more programs to provide bonuses or other rewards to officers and employees of the Postal Service in senior executive or equivalent positions to achieve the objectives of this chapter.

''(b) LIMITATION ON TOTAL COMPENSATION.—

''(1) IN GENERAL.—Under any such program, the Postal Service may award a bonus or other reward in excess of the limitation set forth in the last sentence of section 1003(a), if such program has been approved under paragraph (2). Any such award or bonus may not cause the total compensation of such officer or employee to exceed the total annual compensation payable to the Vice President under section 104 of title 3 as of the end of the calendar year in which the bonus or award is paid.

''(2) APPROVAL PROCESS.—If the Postal Service wishes to have the authority, under any program described in subsection (a), to award bonuses or other rewards in excess of the limitation set forth in the last sentence of section 1003(a)—

''(A) the Postal Service shall make an appropriate request to the Board of Governors in such form and manner as the Board requires; and

''(B) the Board of Governors shall approve any such request if it certifies, for the annual appraisal period involved, that the performance appraisal system for affected officers and employees of the Postal Service (as designed and applied) makes meaningful distinctions based on relative performance.

''(3) REVOCATION AUTHORITY.—If the Board of Governors finds that a performance appraisal system previously approved under paragraph (2)(B) does not (as designed and applied) make meaningful distinctions based on relative performance, the Board may revoke or suspend the authority of the Postal Service to continue a program approved under paragraph (2) until such time as appropriate corrective measures have, in the judgment of the Board, been taken.

''(c) EXCEPTIONS FOR CRITICAL POSITIONS.—Notwithstanding any other provision of law, the Board of Governors may allow up to 12 officers or employees of the Postal Service in critical senior executive or equivalent positions to receive total compensation in an amount not to exceed 120 percent of the total annual compensation payable to the Vice President under section 104 of title 3 as of the end of the calendar year in which such payment is received. For each exception made under this subsection, the Board shall provide written notification to the Director of the Office of Personnel Management and the Congress within 30 days after the payment is made setting forth the name of the officer or employee involved, the critical nature of his or her duties and responsibilities, and the basis for determining that such payment is warranted.

''(d) INFORMATION FOR INCLUSION IN COMPREHENSIVE STATEMENT.—Included in its comprehensive statement under section 2401(e) for any period shall be—

''(1) the name of each person receiving a bonus or other payment during such period which would not have been allowable but for the provisions of subsection (b) or (c);

''(2) the amount of the bonus or other payment; and

''(3) the amount by which the limitation set forth in the last sentence of section 1003(a) was exceeded as a result of such bonus or other payment.

''(e) REGULATIONS.—The Board of Governors may prescribe regulations for the administration of this section.''.

SEC. 407. MEDIATION IN COLLECTIVE-BARGAINING DISPUTES.

(a) IN GENERAL.—Section 1207(b) of title 39, United States Code, is amended by striking all that follows ''the Director of the Federal Mediation and Conciliation Service shall'' and inserting '', within 10 days appoint a mediator of nationwide reputation and professional stature, and who is also a member of the National Academy of Arbitrators. The parties shall cooperate with the mediator in an effort to reach an agreement and shall meet and negotiate in good faith at such times and places that the mediator, in consultation with the parties, shall direct.''.

(b) PROVISIONS RELATING TO ARBITRATION BOARDS.—Section 1207(c) of title 39, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking ''90'' and inserting ''60'';

(B) by striking ''not members of the factfinding panel,''; and

(C) by striking all that follows ''shall be made'' and inserting ''from a list of names provided by the Director. This list shall consist of not less than 9 names of arbitrators of nationwide reputation and professional stature, who are also members of the National Academy of Arbitrators, and whom the Director has determined are available and willing to serve.''; and

(2) in paragraph (3), by striking ''factfinding panel'' and inserting ''mediation''.

(c) CONFORMING AMENDMENT.—Section 1207(d) of title 39, United States Code, is amended by striking ''factfinding panel will be established'' and inserting ''mediator shall be appointed''.

TITLE V—ENHANCED REGULATORY COMMISSION

SEC. 501. REORGANIZATION AND MODIFICATION OF CERTAIN PROVISIONS RELATING TO THE POSTAL REGULATORY COMMISSION.

(a) TRANSFER AND REDESIGNATION.—Title 39, United States Code, is amended—

(1) by inserting after chapter 4 the following:

"CHAPTER 5—POSTAL REGULATORY COMMISSION

''Sec.
''501. Establishment.
''502. Commissioners.
''503. Rules; regulations; procedures.
''504. Administration.

"§ 501. Establishment

''The Postal Regulatory Commission is an independent establishment of the executive branch of the Government of the United States.

"§ 502. Commissioners

''(a) The Postal Regulatory Commission is composed of 5 Commissioners, appointed by the President, by and with the advice and consent of the Senate. The Commissioners shall be chosen solely on the basis of their technical qualifications, professional standing, and demonstrated expertise in economics, accounting, law, or public administration, and may be removed by the President only for cause. Each individual appointed to the Commission shall have the qualifications and expertise necessary to carry out the responsibilities accorded Commissioners under the Postal Accountability and Enhancement Act. Not more than 3 of the Commissioners may be adherents of the same political party.

''(b) A Commissioner may continue to serve after the expiration of his term until his successor has qualified, except that a Commissioner may not so continue to serve for more than 1 year after the date upon which his term otherwise would expire under subsection (e).

''(c) One of the Commissioners shall be designated as Chairman by, and shall serve in the position of Chairman at the pleasure of, the President.

''(d) The Commissioners shall by majority vote designate a Vice Chairman of the Commission. The Vice Chairman shall act as Chairman of the Commission in the absence of the Chairman.

''(e) The Commissioners shall serve for terms of 6 years.'';

(2) in subchapter I of chapter 36 (as in effect before the amendment made by section 201(c)), by striking the heading for such subchapter I and all that follows through section 3602; and

(3) by redesignating sections 3603 and 3604 as sections 503 and 504, respectively, and transferring such sections to the end of chapter 5 (as inserted by paragraph (1)).

(b) DETERMINATIONS.—Section 503 of title 39, United States Code, as so redesignated by subsection (a)(3), is amended by adding at the end the following: ''Such rules shall include procedures which balance, inter alia, the need for protecting due process rights and ensuring expeditious decision-making.''.

(c) APPLICABILITY.—The amendment made by subsection (a)(1) shall not affect the appointment or tenure of any person serving as a Commissioner on the Postal Regulatory Commission (as so redesignated by section 504) pursuant to an appointment made before the date of the enactment of this Act or any nomination made before that date, but, when any such office becomes vacant, the appointment of any person to fill that office shall be made in accordance with such amendment.

(d) CLERICAL AMENDMENT.—The analysis for part I of title 39, United States Code, is amended by inserting after the item relating to chapter 4 the following:

"5. Postal Regulatory Commission ..... 501".

SEC. 502. AUTHORITY FOR POSTAL REGULATORY COMMISSION TO ISSUE SUBPOENAS.

Section 504 of title 39, United States Code (as so redesignated by section 501) is amended by adding at the end the following:

''(f)(1) Any Commissioner of the Postal Regulatory Commission, any administrative law judge appointed by the Commission under section 3105 of title 5, and any employee of the Commission designated by the Commission may administer oaths, examine witnesses, take depositions, and receive evidence.

''(2) The Chairman of the Commission, any Commissioner designated by the Chairman, and any administrative law judge appointed by the Commission under section 3105 of title 5 may, with respect to any proceeding conducted by the Commission under this title—

''(A) issue subpoenas requiring the attendance and presentation of testimony by, or the production of documentary or other evidence in the possession of, any covered person; and

''(B) order the taking of depositions and responses to written interrogatories by a covered person.

The written concurrence of a majority of the Commissioners then holding office shall, with respect to each subpoena under subparagraph (A), be required in advance of its issuance.

''(3) In the case of contumacy or failure to obey a subpoena issued under this subsection, upon application by the Commission, the district court of the United States for the district in which the person to whom the subpoena is addressed resides or is served may issue an order requiring such person to appear at any designated place to testify or produce documentary or other evidence. Any failure to obey the order of the court may be punished by the court as a contempt thereof.

''(4) For purposes of this subsection, the term 'covered person' means an officer, employee, agent, or contractor of the Postal Service.

''(g)(1) If the Postal Service determines that any document or other matter it provides to the Postal Regulatory Commission pursuant to a subpoena issued under subsection (f), or otherwise at the request of the Commission in connection with any proceeding or other purpose under this title, contains information which is described in section 410(c) of this title, or exempt from public disclosure under section 552(b) of title 5, the Postal Service shall, at the time of providing such matter to the Commission, notify the Commission, in writing, of its determination (and the reasons therefor).

''(2) Except as provided in paragraph (3), no officer or employee of the Commission may, with respect to any information as to which the Commission has been notified under paragraph (1)—

''(A) use such information for purposes other than the purposes for which it is supplied; or

''(B) permit anyone who is not an officer or employee of the Commission to have access to any such information.

''(3)(A) Paragraph (2) shall not prevent the Commission from publicly disclosing relevant information in furtherance of its duties under this title if the Commission has adopted regulations under section 553 of title 5 that establish a procedure for according appropriate confidentiality to information identified by the Postal Service under paragraph (1). In determining the appropriate degree of confidentiality to be accorded information identified by the Postal Service under paragraph (1), the Commission shall balance the nature and extent of the likely commercial injury to the Postal Service against the public interest, as required by section 101(d) of this title for financial transparency of a government establishment.

''(B) Paragraph (2) shall not prevent information from being furnished under any process of discovery established under this title in connection with a proceeding under this title. The Commission shall, by regulations based on rule 26(c) of the Federal Rules of Civil Procedure, establish procedures for ensuring appropriate confidentiality for any information furnished under the preceding sentence.''.

SEC. 503. APPROPRIATIONS FOR THE POSTAL REGULATORY COMMISSION.

(a) AUTHORIZATION OF APPROPRIATIONS.—Subsection (d) of section 504 of title 39, United States Code (as so redesignated by section 501) is amended to read as follows:

''(d) There are authorized to be appropriated, out of the Postal Service Fund, such sums as may be necessary for the Postal Regulatory Commission. In requesting an appropriation under this subsection for a fiscal year, the Commission shall prepare and submit to the Congress under section 2009 a budget of the Commission's expenses, including expenses for facilities, supplies, compensation, and employee benefits.''.

(b) BUDGET PROGRAM.—

(1) IN GENERAL.—The next to last sentence of section 2009 of title 39, United States Code, is amended to read as follows: ''The budget program shall also include separate statements of the amounts which (1) the Postal Service requests to be appropriated under subsections (b) and (c) of section 2401, (2) the Office of Inspector General of the United States Postal Service requests to be appropriated, out of the Postal Service Fund, under section 8L(e) of the Inspector General Act of 1978, and (3) the Postal Regulatory Commission requests to be appropriated, out of the Postal Service Fund, under section 504(d) of this title.''.

(2) CONFORMING AMENDMENT.—Section 2003(e)(1) of title 39, United States Code, is amended by striking the first sentence and inserting the following: ''The Fund shall be available for the payment of (A) all expenses incurred by the Postal Service in carrying out its functions as provided by law, subject to the same limitation as set forth in the parenthetical matter under subsection (a); (B) all expenses of the Postal Regulatory Commission, subject to the availability of amounts appropriated pursuant to section 504(d); and (C) all expenses of the Office of Inspector General, subject to the availability of amounts appropriated pursuant to section 8L(e) of the Inspector General Act of 1978.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to fiscal years beginning on or after October 1, 2005.

(2) SAVINGS PROVISION.—The provisions of title 39, United States Code, that are amended by this section shall, for purposes of any fiscal year before the first fiscal year to which the amendments made by this section apply, continue to apply in the same way as if this section had never been enacted.

SEC. 504. REDESIGNATION OF THE POSTAL RATE COMMISSION.

(a) AMENDMENTS TO TITLE 39, UNITED STATES CODE.—Title 39, United States Code, is amended in sections 404, 503–504 (as so redesignated by section 501), 1001, and 1002 by striking ''Postal Rate Commission'' each place it appears and inserting ''Postal Regulatory Commission''.

(b) AMENDMENTS TO TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended in sections 104(1), 306(f), 2104(b), 3371(3), 5314 (in the item relating to Chairman, Postal Rate Commission), 5315 (in the item relating to Members, Postal Rate Commission), 5514(a)(5)(B), 7342(a)(1)(A), 7511(a)(1)(B)(ii), 8402(c)(1), 8423(b)(1)(B), and 8474(c)(4) by striking ''Postal Rate Commission'' and inserting ''Postal Regulatory Commission''.

(c) AMENDMENT TO THE ETHICS IN GOVERNMENT ACT OF 1978.—Section 101(f)(6) of the Ethics in Government Act of 1978 (5 U.S.C. App.) is amended by striking ''Postal Rate Commission'' and inserting ''Postal Regulatory Commission''.

(d) AMENDMENT TO THE REHABILITATION ACT OF 1973.—Section 501(b) of the Rehabilitation Act of 1973 (29 U.S.C. 791(b)) is amended by striking ''Postal Rate Office'' and inserting ''Postal Regulatory Commission''.

(e) AMENDMENT TO TITLE 44, UNITED STATES CODE.—Section 3502(5) of title 44, United States Code, is amended by striking ''Postal Rate Commission'' and inserting ''Postal Regulatory Commission''.

(f) OTHER REFERENCES.—Whenever a reference is made in any provision of law (other than this Act or a provision of law amended by this Act), regulation, rule, document, or other record of the United States to the Postal Rate Commission, such reference shall be considered a reference to the Postal Regulatory Commission.

SEC. 505. OFFICER OF THE POSTAL REGULATORY COMMISSION REPRESENTING THE GENERAL PUBLIC.

(a) IN GENERAL.—Chapter 5 of title 39, United States Code (as added by this Act) is amended by adding after section 504 the following:

''§ 505. Officer of the Postal Regulatory Commission representing the general public

''The Postal Regulatory Commission shall designate an officer of the Postal Regulatory Commission in all public proceedings (such as developing rules, regulations, and procedures) who shall represent the interests of the general public.''.

(b) CLERICAL AMENDMENT.—The analysis for chapter 5 of title 39, United States Code (as amended by section 501(a)(1)) is amended by adding after the item relating to section 504 the following:

''505. Officer of the Postal Regulatory Commission representing the general public.''.

TITLE VI—INSPECTORS GENERAL

SEC. 601. INSPECTOR GENERAL OF THE POSTAL REGULATORY COMMISSION.

(a) IN GENERAL.—Paragraph (2) of section 8G(a) of the Inspector General Act of 1978 is amended by inserting ''the Postal Regulatory Commission,'' after ''the United States International Trade Commission,''.

(b) ADMINISTRATION.—Section 504 of title 39, United States Code (as so redesignated by section 501) is amended by adding after subsection (g) (as added by section 502) the following:

''(h)(1) Notwithstanding any other provision of this title or of the Inspector General Act of 1978, the authority to select, appoint, and employ officers and employees of the Office of Inspector General of the Postal Regulatory Commission, and to obtain any temporary or intermittent services of experts or consultants (or an organization of experts or consultants) for such Office, shall reside with the Inspector General of the Postal Regulatory Commission.

''(2) Except as provided in paragraph (1), any exercise of authority under this subsection shall, to the extent practicable, be in conformance with the applicable laws and regulations that govern selections, appointments and employment, and the obtaining of any such temporary or intermittent services, within the Postal Regulatory Commission.''.

(c) DEADLINE.—No later than 180 days after the date of the enactment of this Act—

(1) the first Inspector General of the Postal Regulatory Commission shall be appointed; and

(2) the Office of Inspector General of the Postal Regulatory Commission shall be established.

SEC. 602. INSPECTOR GENERAL OF THE UNITED STATES POSTAL SERVICE TO BE APPOINTED BY THE PRESIDENT.

(a) DEFINITIONAL AMENDMENTS TO THE INSPECTOR GENERAL ACT OF 1978.—Section 11 of the Inspector General Act of 1978 is amended—

(1) in paragraph (1)—

(A) by striking ''or'' before ''the President of the Export-Import Bank;'' and

(B) by inserting ''or the Governors of the United States Postal Service (within the meaning of section 102(3) of title 39, United States Code);'' after ''the President of the Export-Import Bank;''; and

(2) in paragraph (2)—

(A) by striking ''or'' before ''the Export-Import Bank,''; and

(B) by inserting ''or the United States Postal Service,'' after ''the Export-Import Bank,''.

(b) SPECIAL PROVISIONS CONCERNING THE UNITED STATES POSTAL SERVICE.—

(1) IN GENERAL.—The Inspector General Act of 1978 is amended by inserting after section 8K the following:

''SPECIAL PROVISIONS CONCERNING THE UNITED STATES POSTAL SERVICE

''SEC. 8L. (a) In carrying out the duties and responsibilities specified in this Act, the Inspector General of the United States Postal Service shall have oversight responsibility for all activities of the Postal Inspection Service, including any internal investigation performed by the Postal Inspection Service. The Chief Postal Inspector shall promptly report any significant activities being carried out by the Postal Inspection Service to such Inspector General. The Postmaster General shall promptly report to such Inspector General all allegations of theft, fraud, or misconduct by Postal Service officers or employees, and entities or individuals doing business with the Postal Service.

''(b) In the case of any report that the Governors of the United States Postal Service (within the meaning of section 102(3) of title 39, United States Code) are required to transmit under the second sentence of section 5(d), such sentence shall be applied by deeming the term 'appropriate committees of Congress' to mean the Committee on Government Reform of the House of Representatives, the Committee on Governmental Affairs of the Senate, and such other committees or subcommittees of Congress as may be appropriate.

''(c) Notwithstanding any provision of paragraph (7) or (8) of section 6(a), the Inspector General of the United States Postal Service may

select, appoint, and employ such officers and employees as may be necessary for carrying out the functions, powers, and duties of the Office of Inspector General and to obtain the temporary or intermittent services of experts or consultants or an organization of experts or consultants, subject to the applicable laws and regulations that govern such selections, appointments, and employment, and the obtaining of such services, within the United States Postal Service.

''(d) Nothing in this Act shall restrict, eliminate, or otherwise adversely affect any of the rights, privileges, or benefits of employees of the United States Postal Service, or labor organizations representing employees of the United States Postal Service, under chapter 12 of title 39, United States Code, the National Labor Relations Act, any handbook or manual affecting employee labor relations with the United States Postal Service, or any collective bargaining agreement.

''(e) There are authorized to be appropriated, out of the Postal Service Fund, such sums as may be necessary for the Office of Inspector General of the United States Postal Service.''.

(2) RELATED PROVISIONS.—For certain related provisions, see section 503(b).

(c) EXERCISE OF CERTAIN POWERS.—Section 6(e)(3) of the Inspector General Act of 1978 is amended—

(1) by striking ''and the'' before ''Tennessee Valley Authority''; and

(2) by inserting '', and United States Postal Service'' after ''Tennessee Valley Authority''.

(d) PUBLIC CONTRACTS.—

(1) ADDITIONAL PROVISIONS APPLICABLE.—Section 410(b)(5) of title 39, United States Code, is amended—

(A) in subparagraph (A), by striking ''and'' after the semicolon; and

(B) by adding after subparagraph (B) the following:

''(C) the Anti-Kickback Act of 1986 (41 U.S.C. 51 and following), other than subsections (a) and (b) of 7 and section 8 of that Act; and

''(D) section 315 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 265) (relating to protecting contractor employees from reprisal for disclosure of certain information);''.

(2) REGULATIONS ON ALLOWABLE COSTS.—Section 410 of title 39, United States Code, is amended by adding at the end the following:

''(e) The Postal Service shall develop and issue purchasing regulations that prohibit contract costs not allowable under section 5.2.5 of the United States Postal Service Procurement Manual (Publication 41), as in effect on July 12, 1995.''.

(e) REPORTS.—Section 3013 of title 39, United States Code, is amended by striking ''Postmaster General'' each place it appears and inserting ''Chief Postal Inspector''.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) RELATING TO THE INSPECTOR GENERAL ACT OF 1978.—(A) Subsection (a) of section 8G of the Inspector General Act of 1978 (as amended by section 601(a)) is further amended—

(i) in paragraph (2), by striking ''the Postal Regulatory Commission, and the United States Postal Service;'' and inserting ''and the Postal Regulatory Commission;'' and

(ii) in paragraph (4), by striking ''except that'' and all that follows through ''Code);'' and inserting ''except that, with respect to the National Science Foundation, such term means the National Science Board;''.

(B)(i) Subsection (f) of section 8G of such Act is repealed.

(ii) Subsection (c) of section 8G of such Act is amended by striking ''Except as provided under subsection (f) of this section, the'' and inserting ''The''.

(C) Section 8J of such Act is amended by striking the matter after ''8D,'' and before ''of this Act'' and inserting ''8E, 8F, 8H, or 8L''.

(2) RELATING TO TITLE 39, UNITED STATES CODE.—(A) Subsection (e) of section 202 of title 39, United States Code, is repealed.

(B) Paragraph (4) of section 102 of such title 39 (as amended by section 101) is amended to read as follows:

''(4) 'Inspector General' means the Inspector General of the United States Postal Service, appointed under section 3(a) of the Inspector General Act of 1978;''.

(C) The first sentence of section 1003(a) of such title 39 is amended by striking ''chapters 2 and 12 of this title, section 8G of the Inspector General Act of 1978, or other provision of law,'' and inserting ''chapter 2 or 12 of this title, subsection (b) or (c) of this section, or any other provision of law,''.

(D) Section 1003(b) of such title 39 is amended by striking ''respective'' and inserting ''other''.

(E) Section 1003(c) of such title 39 is amended by striking ''included'' and inserting ''includes''.

(3) RELATING TO THE ENERGY POLICY ACT OF 1992.—Section 160(a) of the Energy Policy Act of 1992 (42 U.S.C. 8262f(a)) is amended (in the matter before paragraph (1)) by striking all that follows ''(5 U.S.C. App.)'' and before ''shall—''.

(g) EFFECTIVE DATE; TRANSITION PROVISIONS.—

(1) EFFECTIVE DATE.—Except as provided in paragraph (2) or subsection (c), this section and the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) TRANSITION PROVISIONS.—

(A) PRESIDENTIAL APPOINTMENT AUTHORITY AVAILABLE IMMEDIATELY.—The authority to appoint an Inspector General of the United States Postal Service in accordance with the amendments made by this section shall be available as of the effective date of this section.

(B) CONTINUATION IN OFFICE.—Pending the appointment of an Inspector General of the United States Postal Service in accordance with the amendments made by this section, the individual serving as the Inspector General of the United States Postal Service on the day before the effective date of this section may continue to serve—

(i) in accordance with applicable provisions of the Inspector General Act of 1978 and (except as provided in clause (ii)) of title 39, United States Code, as last in effect before the effective date of this Act; but

(ii) subject to the provisions of such title 39 as amended by subsection (e) of this section (deeming any reference to the ''Inspector General'' in such provisions, as so amended, to refer to the individual continuing to serve under authority of this subparagraph) and subparagraph (C).

(C) AUTHORIZATION OF APPROPRIATIONS.—

(i) IN GENERAL.—Notwithstanding any other provision of this subsection, section 8L(e) of the Inspector General Act of 1978 (as amended by this section) shall be effective for purposes of fiscal years beginning on or after October 1, 2005.

(ii) SAVINGS PROVISION.—For purposes of the fiscal year ending on September 30, 2005, funding for the Office of Inspector General of the United States Postal Service shall be made available in the same manner as if this Act had never been enacted.

(D) ELIGIBILITY OF PRIOR INSPECTOR GENERAL.—Nothing in this Act shall prevent any individual who has served as Inspector General of the United States Postal Service at any time before the date of the enactment of this Act from being appointed to that position pursuant to the amendments made by this section.

TITLE VII—EVALUATIONS

SEC. 701. UNIVERSAL POSTAL SERVICE STUDY.

(a) REPORT BY THE POSTAL SERVICE.—The United States Postal Service shall, within 12 months after the date of the enactment of this Act, submit to the President, the Congress, and the Postal Regulatory Commission, a written report on universal postal service in the United States (hereinafter in this section referred to as ''universal service''). Such report shall include at least the following:

(1) A comprehensive review of the history and development of universal service, including how the scope and standards of universal service have evolved over time.

(2) The scope and standards of universal service provided under current law (including sections 101 and 403 of title 39, United States Code) and current rules, regulations, policy statements, and practices of the Postal Service.

(3) A description of any geographic areas, populations, communities, organizations, or other groups or entities not currently covered by universal service or that are covered but that are receiving services deficient in scope or quality or both.

(4) The scope and standards of universal service likely to be required in the future in order to meet the needs and expectations of the American public, including all types of mail users, based on such assumptions or alternative sets of assumptions as the Postal Service considers plausible.

(5) Such recommendations as the Postal Service considers appropriate.

(b) REPORT BY THE POSTAL REGULATORY COMMISSION.—The Postal Regulatory Commission shall, within 12 months after receiving the report of the Postal Service under subsection (a), submit to the President and the Congress a written report evaluating the report of the Postal Service. The report of the Commission shall include at least the following:

(1) Such comments and observations relating to the matters addressed in the Postal Service's report as the Commission considers appropriate.

(2) An estimate of the cost attributable to the obligation to provide universal service under prior and current law, respectively.

(3) An estimate of the likely cost of fulfilling the obligation to provide universal service under—

(A) the assumptions or respective sets of assumptions of the Postal Service described in subsection (a)(4); and

(B) such other assumptions or sets of assumptions as the Commission considers plausible.

(4) Such additional topics and recommendations as the Commission considers appropriate.

(c) CONSULTATION.—In preparing the reports required by this section, the Postal Service and the Postal Regulatory Commission—

(1) shall consult with each other, other Federal agencies, users of the mails, enterprises in the private sector engaged in the delivery of mail, and the general public; and

(2) shall address in their respective reports any written comments received under this section.

(d) CLARIFYING PROVISION.—Nothing in this section shall be considered to relate to any services that are not postal services (within the meaning of section 102 of title 39, United States Code, as amended by section 101).

SEC. 702. ASSESSMENTS OF RATEMAKING, CLASSIFICATION, AND OTHER PROVISIONS.

(a) IN GENERAL.—The Postal Regulatory Commission shall, at least every 5 years, submit a report to the President and the Congress concerning—

(1) the operation of the amendments made by the Postal Accountability and Enhancement Act; and

(2) recommendations for any legislation or other measures necessary to improve the effectiveness or efficiency of the postal laws of the United States.

(b) POSTAL SERVICE VIEWS.—A report under this section shall be submitted only after reasonable opportunity has been afforded to the Postal Service to review such report and to submit written comments thereon. Any comments timely received from the Postal Service under the preceding sentence shall be attached to the report submitted under subsection (a).

(c) SPECIFIC INFORMATION REQUIRED.—The Postal Regulatory Commission shall include, as part of at least its first report under subsection (a), the following:

(1) COST-COVERAGE REQUIREMENT RELATING TO COMPETITIVE PRODUCTS COLLECTIVELY.—With respect to section 3633 of title 39, United States Code (as amended by this Act)—

(A) a description of how such section has operated; and

(B) recommendations as to whether or not such section should remain in effect and, if so, any suggestions as to how it might be improved.

(2) COMPETITIVE PRODUCTS FUND.—With respect to the Postal Service Competitive Products Fund (under section 2011 of title 39, United States Code, as amended by section 301), in consultation with the Secretary of the Treasury—

(A) a description of how such Fund has operated;

(B) any suggestions as to how the operation of such Fund might be improved; and

(C) a description and assessment of alternative accounting or financing mechanisms that might be used to achieve the objectives of such Fund.

(3) ASSUMED FEDERAL INCOME TAX ON COMPETITIVE PRODUCTS FUND.—With respect to section 3634 of title 39, United States Code (as amended by this Act), in consultation with the Secretary of the Treasury—

(A) a description of how such section has operated; and

(B) recommendations as to whether or not such section should remain in effect and, if so, any suggestions as to how it might be improved.

SEC. 703. STUDY ON EQUAL APPLICATION OF LAWS TO COMPETITIVE PRODUCTS.

(a) IN GENERAL.—The Federal Trade Commission shall prepare and submit to the President, the Congress, and the Postal Regulatory Commission, within 1 year after the date of the enactment of this Act, a comprehensive report identifying Federal and State laws that apply differently to the United States Postal Service with respect to the competitive category of mail (within the meaning of section 102 of title 39, United States Code, as amended by section 101) and private companies providing similar products.

(b) RECOMMENDATIONS; ADJUSTMENTS.—The Federal Trade Commission shall include such recommendations as it considers appropriate for bringing such legal differences to an end and, in the interim, to account under section 3633, for the net economic effects provided by those laws.

(c) CONSULTATION.—In preparing its report, the Federal Trade Commission shall consult with the United States Postal Service, the Postal Regulatory Commission, other Federal agencies, mailers, private companies that provide delivery services, and the general public, and shall append to such report any written comments received under this subsection.

(d) COMPETITIVE PRODUCT RATE REGULATION.—The Postal Regulatory Commission shall take into account the recommendations of the Federal Trade Commission, and subsequent events that affect the continuing validity of the estimate of the net economic effect, in promulgating or revising the regulations required by section 3633 of title 39, United States Code.

SEC. 704. GREATER DIVERSITY IN POSTAL SERVICE EXECUTIVE AND ADMINISTRATIVE SCHEDULE MANAGEMENT POSITIONS.

(a) STUDY.—The Board of Governors shall study and, within 1 year after the date of the enactment of this Act, submit to the President and Congress a report concerning the extent to which women and minorities are represented in supervisory and management positions within the United States Postal Service. Any data included in the report shall be presented in the aggregate and by pay level.

(b) PERFORMANCE EVALUATIONS.—The United States Postal Service shall, as soon as practicable, take such measures as may be necessary to ensure that, for purposes of conducting performance appraisals of supervisory or managerial employees, appropriate consideration shall be given to meeting affirmative action goals, achieving equal employment opportunity requirements, and implementation of plans designed to achieve greater diversity in the workforce.

SEC. 705. PLAN FOR ASSISTING DISPLACED WORKERS.

(a) PLAN.—The United States Postal Service shall, before the deadline specified in subsection (b), develop and be prepared to implement, whenever necessary, a comprehensive plan under which reemployment assistance shall be afforded to employees displaced as a result of the automation or privatization of any of its functions.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the United States Postal Service shall submit to the Board of Governors and to Congress a written report describing its plan under this section.

SEC. 706. CONTRACTS WITH WOMEN, MINORITIES, AND SMALL BUSINESSES.

The Board of Governors shall study and, within 1 year after the date of the enactment of this Act, submit to the President and the Congress a report concerning the number and value of contracts and subcontracts the Postal Service has entered into with women, minorities, and small businesses.

SEC. 707. RATES FOR PERIODICALS.

(a) IN GENERAL.—The United States Postal Service, acting jointly with the Postal Regulatory Commission, shall study and submit to the President and Congress a report concerning—

(1) the quality, accuracy, and completeness of the information used by the Postal Service in determining the direct and indirect postal costs attributable to periodicals; and

(2) any opportunities that might exist for improving efficiencies in the collection, handling, transportation, or delivery of periodicals by the Postal Service, including any pricing incentives for mailers that might be appropriate.

(b) RECOMMENDATIONS.—The report shall include recommendations for any administrative action or legislation that might be appropriate.

SEC. 708. ASSESSMENT OF CERTAIN RATE DEFICIENCIES.

(a) IN GENERAL.—Within 12 months after the date of the enactment of this Act, the Office of Inspector General of the United States Postal Service shall study and submit to the President, the Congress, and the United States Postal Service, a report concerning the administration of section 3626(k) of title 39, United States Code.

(b) SPECIFIC REQUIREMENTS.—The study and report shall specifically address the adequacy and fairness of the process by which assessments under section 3626(k) of title 39, United States Code, are determined and appealable, including—

(1) whether the Postal Regulatory Commission or any other body outside the Postal Service should be assigned a role; and

(2) whether a statute of limitations should be established for the commencement of proceedings by the Postal Service thereunder.

SEC. 709. NETWORK OPTIMIZATION.

(a) IN GENERAL.—The Postal Service shall, within 90 days after the end of each fiscal year, prepare and submit to the Postal Regulatory Commission, the Congress, and the Board of Governors a written report on the postal processing, transportation, and distribution networks. Such report shall include at least the following:

(1) An account of actions taken during the preceding fiscal year to improve the efficiency and effectiveness of the processing, transportation, and distribution networks, while preserving the timely delivery of postal services.

(2) An account of—

(A) actions taken to identify any excess capacity within the processing, transportation, and distribution networks; and

(B) actions taken to implement savings through realignment or consolidation of facilities.

(3) Identification of statutory or regulatory obstacles that prevented or will prevent the Postal Service from taking action to realign or consolidate facilities.

(4) Such additional topics and recommendations as the Postal Service considers appropriate.

(b) TREATMENT AS PERFORMANCE GOALS.—The Postal Service shall establish and report the matters set forth in subsection (a) as performance goals in the reports required by sections 2803 and 2804.

(c) ACTIONS TO BE TAKEN.—The Postal Service shall take such actions it considers, in its sole discretion, necessary and appropriate to provide the Nation with a modern and efficient network for the processing, transportation, and distribution of mail. Nothing in this section shall prevent the Postal Service from making such improvements in the efficiency and effectiveness of the network as it deems appropriate.

SEC. 710. ASSESSMENT OF FUTURE BUSINESS MODEL OF THE POSTAL SERVICE.

(a) APPOINTMENT OF RESEARCH ORGANIZATION.—Not later than 90 days after the date of the enactment of this Act, the Comptroller General of the United States shall appoint, in such manner and under such terms as he in his sole discretion determines appropriate, an independent, impartial, and expert research organization (hereinafter in this section referred to as the ''research organization'') to prepare and submit to the President and to Congress a comprehensive report that evaluates what business model would best promote an efficient, reliable, innovative, and viable Postal Service that can meet the needs of the Nation and its citizens in the 21st century. The final report required by this section shall be submitted within 27 months of the date of the enactment of this Act. The final report shall identify costs, benefits, and feasible options, if any, associated with one or more strategies for—

(1) maintaining the Postal Service in its current form as an independent establishment in the executive branch of the Government; and

(2) transforming the Postal Service into an ordinary corporation, owned wholly by the Government, wholly by private shareholders, or partly by the Government and partly by private shareholders.

(b) PROTECTION OF UNIVERSAL SERVICE.—The research organization may include such recommendations as it considers appropriate with respect to how the Postal Service's business model can be maintained or transformed in an orderly manner that will minimize adverse effects on all interested parties and assure continued availability of affordable, universal postal service throughout the United States (based on the reports required by section 701). The research organization shall not consider any strategy or other course of action that would pose a significant risk to the continued availability of affordable, universal postal service throughout the United States.

(c) ELEMENTS OF REPORT.—

(1) TOPICS TO ADDRESS.—The report shall address at least the following:

(A) Specification of nature and bases of one or more sets of reasonable assumptions about the development of the postal services market, to the extent that such assumptions may be necessary or appropriate for each strategy identified by the research organization.

(B) Specification of the nature and bases of one or more sets of reasonable assumptions about the development of the regulatory framework for postal services, to the extent that such assumptions may be necessary or appropriate for each strategy identified by the research organization.

(C) Qualitative and, to the extent possible, quantitative effects that each strategy identified by the research organization may have on universal service generally, the Postal Service,

mailers, postal employees, private companies that provide delivery services, and the general public.

(D) Financial effects that each strategy identified by the research organization may have on the Postal Service, postal employees, the Treasury of the United States, and other affected parties, including the American mailing consumer.

(E) Feasible and appropriate procedural steps and timetables for implementing each strategy identified by the research organization.

(F) Such additional topics as the Comptroller General or the research organization shall consider necessary and appropriate.

(2) MATTERS TO CONSIDER.—For each strategy identified, the research organization shall assess how each business model might—

(A) address the human-capital challenges facing the Postal Service, including how employee-management relations within the Postal Service may be improved;

(B) optimize the postal infrastructure, including the best methods for providing retail services that ensure convenience and access to customers;

(C) ensure the safety and security of the mail and of postal employees;

(D) minimize areas of inefficiency or waste and improve operations involved in the collection, processing, or delivery of mail; and

(E) impact other matters that the Comptroller General or the research organization determines are relevant to evaluating a viable long-term business model for the Postal Service.

(3) EXPERIENCES OF OTHER COUNTRIES.—In preparing the report required by subsection (a), the research organization shall comprehensively and quantitatively investigate the experiences of other industrialized countries that have transformed the national post office. The research organization shall undertake such original research as it deems necessary. In each case, the research organization shall describe as fully as possible the costs and benefits of transformation of the national post office on all affected parties and shall identify any lessons that foreign experience may imply for each strategy identified by the research organization.

(d) OUTSIDE EXPERTS.—In preparing its study, the research organization may retain the services of additional experts and consultants.

(e) CONSULTATION.—In preparing its report, the research organization shall consult fully with the Postal Service, the Postal Regulatory Commission, other Federal agencies, postal employee unions and management associations, mailers, private companies that provide delivery services, and the general public. The research organization shall include with its final report a copy of all formal written comments received under this subsection.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Postal Service Fund such sums as may be necessary to carry out this section.

SEC. 711. STUDY ON CERTAIN PROPOSED AMENDMENTS.

The Government Accountability Office shall study and, within 12 months after the date of the enactment of this Act, submit to the Congress a report on sections 805 and 807 of H.R. 22 (109th Congress), as introduced. Such report shall include the following:

(1) A description of the efficiencies of the current system under section 5402 of title 39, United States Code.

(2) The potential for cost savings to the United States Postal Service if the Postal Service, rather than the Department of Transportation, were to administer international mail carriage.

(3) The potential for harm to domestic air carriers and American workers currently employed by domestic air carriers.

(4) The potential loss of revenue to domestic air carriers and American workers currently employed by domestic air carriers.

(5) The process by which the United States Postal Service would administer any changes in current law.

(6) The process by which the Department of Transportation administers current law.

(7) The potential for change in protection of national security by carriage by foreign carriers of international mail to and from the United States.

SEC. 712. DEFINITION.

For purposes of this title, the term ''Board of Governors'' has the meaning given such term by section 102 of title 39, United States Code.

TITLE VIII—MISCELLANEOUS; TECHNICAL AND CONFORMING AMENDMENTS

SEC. 801. EMPLOYMENT OF POSTAL POLICE OFFICERS.

Section 3061 of title 18, United States Code, is amended by adding at the end the following:

''(c)(1) The Postal Service may employ police officers for duty in connection with the protection of property owned or occupied by the Postal Service or under the charge and control of the Postal Service, and persons on the property, including duty in areas outside the property to the extent necessary to protect the property and persons on the property.

''(2) With respect to such property, such officers shall have the power to—

''(A) enforce Federal laws and regulations for the protection of persons and property;

''(B) carry firearms; and

''(C) make arrests without a warrant for any offense against the United States committed in the presence of the officer or for any felony cognizable under the laws of the United States if the officer has reasonable grounds to believe that the person to be arrested has committed or is committing a felony.

''(3) With respect to such property, such officers may have, to such extent as the Postal Service may by regulations prescribe, the power to—

''(A) serve warrants and subpoenas issued under the authority of the United States; and

''(B) conduct investigations, on and off the property in question, of offenses that may have been committed against property owned or occupied by the Postal Service or persons on the property.

''(4)(A) As to such property, the Postmaster General may prescribe regulations necessary for the protection and administration of property owned or occupied by the Postal Service and persons on the property. The regulations may include reasonable penalties, within the limits prescribed in subparagraph (B), for violations of the regulations. The regulations shall be posted and remain posted in a conspicuous place on the property.

''(B) A person violating a regulation prescribed under this subsection shall be fined under this title, imprisoned for not more than 30 days, or both.''.

SEC. 802. DATE OF POSTMARK TO BE TREATED AS DATE OF APPEAL IN CONNECTION WITH THE CLOSING OR CONSOLIDATION OF POST OFFICES.

(a) IN GENERAL.—Section 404(b) of title 39, United States Code, is amended by adding at the end the following:

''(6) For purposes of paragraph (5), any appeal received by the Commission shall—

''(A) if sent to the Commission through the mails, be considered to have been received on the date of the Postal Service postmark on the envelope or other cover in which such appeal is mailed; or

''(B) if otherwise lawfully delivered to the Commission, be considered to have been received on the date determined based on any appropriate documentation or other indicia (as determined under regulations of the Commission).''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall apply with respect to any determination to close or consolidate a post office which is first made available, in accordance with paragraph (3) of section 404(b) of title 39, United States Code, after the end of the 3-month period beginning on the date of the enactment of this Act.

SEC. 803. PROVISIONS RELATING TO BENEFITS UNDER CHAPTER 81 OF TITLE 5, UNITED STATES CODE, FOR OFFICERS AND EMPLOYEES OF THE FORMER POST OFFICE DEPARTMENT.

(a) IN GENERAL.—Section 8 of the Postal Reorganization Act (39 U.S.C. 1001 note) is amended by inserting ''(a)'' after ''8.'' and by adding at the end the following:

''(b) For purposes of chapter 81 of title 5, United States Code, the Postal Service shall, with respect to any individual receiving benefits under such chapter as an officer or employee of the former Post Office Department, have the same authorities and responsibilities as it has with respect to an officer or employee of the Postal Service receiving such benefits.''.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall be effective as of the first day of the fiscal year in which this Act is enacted.

SEC. 804. OBSOLETE PROVISIONS.

(a) REPEAL.—

(1) IN GENERAL.—Chapter 52 of title 39, United States Code, is repealed.

(2) CONFORMING AMENDMENTS.—(A) Section 5005(a) of title 39, United States Code, is amended—

(i) by striking paragraph (1), and by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(ii) in paragraph (3) (as so designated by clause (i)), by striking ''(as defined in section 5201(6) of this title)''.

(B) Section 5005(b) of such title 39 is amended by striking ''(a)(4)'' each place it appears and inserting ''(a)(3)''.

(C) Section 5005(c) of such title 39 is amended by striking ''by carrier or person under subsection (a)(1) of this section, by contract under subsection (a)(4) of this section, or'' and inserting ''by contract under subsection (a)(3) of this section or''.

(b) ELIMINATING RESTRICTION ON LENGTH OF CONTRACTS.—(1) Section 5005(b)(1) of title 39, United States Code, is amended by striking ''(or where the Postal Service determines that special conditions or the use of special equipment warrants, not in excess of 6 years)'' and inserting ''(or such longer period of time as may be determined by the Postal Service to be advisable or appropriate)''.

(2) Section 5402(d) of such title 39 is amended by striking ''for a period of not more than 4 years''.

(3) Section 5605 of such title 39 is amended by striking ''for periods of not in excess of 4 years''.

(c) CLERICAL AMENDMENT.—The analysis for part V of title 39, United States Code, is amended by repealing the item relating to chapter 52.

SEC. 805. INVESTMENTS.

Subsection (c) of section 2003 of title 39, United States Code, is amended—

(1) by striking ''(c) If'' and inserting ''(c)(1) Except as provided in paragraph (2), if''; and

(2) by adding at the end the following:

''(2)(A) Nothing in this section shall be considered to authorize any investment in any obligations or securities of a commercial entity.

''(B) For purposes of this paragraph, the term 'commercial entity' means any corporation, company, association, partnership, joint stock company, firm, society, or other similar entity, as further defined under regulations prescribed by the Postal Regulatory Commission.''.

SEC. 806. REDUCED RATES.

Section 3626 of title 39, United States Code, is amended—

(1) in subsection (a), by striking all before paragraph (4) and inserting the following:

''(a)(1) Except as otherwise provided in this section, rates of postage for a class of mail or

kind of mailer under former section 4358, 4452(b), 4452(c), 4554(b), or 4554(c) of this title shall be established in accordance with section 3622.

''(2) For the purpose of this subsection, the term 'regular-rate category' means any class of mail or kind of mailer, other than a class or kind referred to in section 2401(c).

''(3) Rates of postage for a class of mail or kind of mailer under former section 4358(a) through (c) of this title shall be established so that postage on each mailing of such mail reflects its preferred status as compared to the postage for the most closely corresponding regular-rate category mailing.'';

(2) in subsection (g), by adding at the end the following:

''(3) For purposes of this section and former section 4358(a) through (c) of this title, those copies of an issue of a publication entered within the county in which it is published, but distributed outside such county on postal carrier routes originating in the county of publication, shall be treated as if they were distributed within the county of publication.

''(4)(A) In the case of an issue of a publication, any number of copies of which are mailed at the rates of postage for a class of mail or kind of mailer under former section 4358(a) through (c) of this title, any copies of such issue which are distributed outside the county of publication (excluding any copies subject to paragraph (3)) shall be subject to rates of postage provided for under this paragraph.

''(B) The rates of postage applicable to mail under this paragraph shall be established in accordance with section 3622.

''(C) This paragraph shall not apply with respect to an issue of a publication unless the total paid circulation of such issue outside the county of publication (not counting recipients of copies subject to paragraph (3)) is less than 5,000.''; and

(3) by adding at the end the following:

''(n) In the administration of this section, matter that satisfies the circulation standards for requester publications shall not be excluded from being mailed at the rates for mail under former section 4358 solely because such matter is designed primarily for free circulation or for circulation at nominal rates, or fails to meet the requirements of former section 4354(a)(5).''.

SEC. 807. HAZARDOUS MATTER.

(a) NONMAILABILITY GENERALLY.—Section 3001 of title 39, United States Code, is amended—

(1) by redesignating subsection (n) as subsection (o); and

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

''(n)(1) Except as otherwise authorized by law or regulations of the Postal Service, hazardous material is nonmailable.

''(2) In this subsection, the term 'hazardous material' means a substance or material designated by the Secretary of Transportation under section 5103(a) of title 49.''.

(b) MAILABILITY.—Chapter 30 of title 39, United States Code, is amended by adding at the end the following:

''§ 3018. Hazardous material

''(a) IN GENERAL.—The Postal Service shall prescribe regulations for the safe transportation of hazardous material in the mail.

''(b) PROHIBITIONS.—No person may—

''(1) mail or cause to be mailed hazardous material that has been declared by statute or Postal Service regulation to be nonmailable;

''(2) mail or cause to be mailed hazardous material in violation of any statute or Postal Service regulation restricting the time, place, or manner in which hazardous material may be mailed; or

''(3) manufacture, distribute, or sell any container, packaging kit, or similar device that—

''(A) is represented, marked, certified, or sold by such person for use in the mailing of hazardous material; and

''(B) fails to conform with any statute or Postal Service regulation setting forth standards for a container, packaging kit, or similar device used for the mailing of hazardous material.

''(c) CIVIL PENALTY; CLEAN-UP COSTS AND DAMAGES.—

''(1) IN GENERAL.—A person who knowingly violates this section or a regulation prescribed under this section shall be liable for—

''(A) a civil penalty of at least $250, but not more than $100,000, for each violation;

''(B) the costs of any clean-up associated with each violation; and

''(C) damages.

''(2) KNOWING ACTION.—A person acts knowingly for purposes of paragraph (1) when—

''(A) the person has actual knowledge of the facts giving rise to the violation; or

''(B) a reasonable person acting in the circumstances and exercising reasonable care would have had that knowledge.

''(3) SEPARATE VIOLATIONS.—

''(A) VIOLATIONS OVER TIME.—A separate violation under this subsection occurs for each day hazardous material, mailed or caused to be mailed in noncompliance with this section, is in the mail.

''(B) SEPARATE ITEMS.—A separate violation under this subsection occurs for each item containing hazardous material that is mailed or caused to be mailed in noncompliance with this section.

''(d) HEARINGS.—The Postal Service may determine that a person has violated this section or a regulation prescribed under this section only after notice and an opportunity for a hearing. Proceedings under this section shall be conducted in accordance with section 3001(m).

''(e) PENALTY CONSIDERATIONS.—In determining the amount of a civil penalty for a violation of this section, the Postal Service shall consider—

''(1) the nature, circumstances, extent, and gravity of the violation;

''(2) with respect to the person who committed the violation, the degree of culpability, any history of prior violations, the ability to pay, and any effect on the ability to continue in business;

''(3) the impact on Postal Service operations; and

''(4) any other matters that justice requires.

''(f) CIVIL ACTIONS TO COLLECT.—

''(1) IN GENERAL.—In accordance with section 409(d), a civil action may be commenced in an appropriate district court of the United States to collect a civil penalty, clean-up costs, and damages assessed under subsection (c).

''(2) COMPROMISE.—The Postal Service may compromise the amount of a civil penalty, clean-up costs, and damages assessed under subsection (c) before commencing a civil action with respect to such civil penalty, clean-up costs, and damages under paragraph (1).

''(g) CIVIL JUDICIAL PENALTIES.—

''(1) IN GENERAL.—At the request of the Postal Service, the Attorney General may bring a civil action in an appropriate district court of the United States to enforce this section or a regulation prescribed under this section.

''(2) RELIEF.—The court in a civil action under paragraph (1) may award appropriate relief, including a temporary or permanent injunction, civil penalties as determined in accordance with this section, or punitive damages.

''(3) CONSTRUCTION.—A civil action under this subsection shall be in lieu of civil penalties for the same violation under subsection (c)(1)(A).

''(h) DEPOSIT OF AMOUNTS COLLECTED.—

''(1) POSTAL SERVICE FUND.—Except as provided under paragraph (2), amounts collected under subsection (c)(1)(B) and (C) shall be deposited into the Postal Service Fund under section 2003.

''(2) TREASURY.—Amounts collected under subsection (c)(1)(A) and any punitive damages collected under subsection (c)(1)(C) shall be deposited into the Treasury of the United States.''.

(c) CONFORMING AMENDMENTS.—(1) Section 2003(b) of title 39, United States Code, is amended—

(A) in paragraph (7), by striking ''and'' after the semicolon;

(B) in paragraph (8), by striking ''purposes.'' and inserting ''purposes; and''; and

(C) by adding at the end the following:

''(9) any amounts collected under section 3018.''.

(2) The analysis for chapter 30 of title 39, United States Code, is amended by adding at the end the following:

''3018. Hazardous material.''.

(d) INJURIOUS ARTICLES AS NONMAILABLE.—Section 1716(a) of title 18, United States Code, is amended by inserting after ''explosives,'' the following: ''hazardous materials,''.

SEC. 808. PROVISIONS RELATING TO COOPERATIVE MAILINGS.

(a) DETERMINATION.—The Postal Regulatory Commission shall examine section E670.5.3 of the Domestic Mail Manual to determine whether it contains adequate safeguards to protect against (1) abuses of rates for nonprofit mail and (2) deception of consumers.

(b) REGULATIONS.—If the Postal Regulatory Commission determines that section E670.5.3 of the Domestic Mail Manual does not contain adequate safeguards as described in the preceding subsection, the Commission shall promulgate such regulations as may be necessary to ensure such safeguards.

(c) TIMING.—The Postal Regulatory Commission shall complete the examination required by subsection (a) and the promulgation of any necessary regulations required by subsection (b) within one year after the date of the enactment of this section.

SEC. 809. TECHNICAL AND CONFORMING AMENDMENTS.

(a) REIMBURSEMENT.—Section 3681 of title 39, United States Code, is amended by striking ''section 3628'' and inserting ''sections 3662 through 3664''.

(b) SIZE AND WEIGHT LIMITS.—Section 3682 of title 39, United States Code, is amended to read as follows:

''§ 3682. Size and weight limits

''The Postal Service may establish size and weight limitations for mail matter in the market-dominant category of mail consistent with regulations the Postal Regulatory Commission may prescribe under section 3622. The Postal Service may establish size and weight limitations for mail matter in the competitive category of mail consistent with its authority under section 3632.''.

(c) REVENUE FOREGONE, ETC.—Title 39, United States Code, is amended—

(1) in section 503 (as so redesignated by section 501), by striking ''this chapter.'' and inserting ''this title.''; and

(2) in section 2401(d), by inserting ''(as last in effect before enactment of the Postal Accountability and Enhancement Act)'' after ''3626(a)'' and after ''3626(a)(3)(B)(ii)''.

(d) APPROPRIATIONS AND REPORTING REQUIREMENTS.—

(1) APPROPRIATIONS.—Subsection (e) of section 2401 of title 39, United States Code, is amended—

(A) by striking ''Committee on Post Office and Civil Service'' each place it appears and inserting ''Committee on Government Reform''; and

(B) by striking ''Not later than March 15 of each year,'' and inserting ''Each year,''.

(2) REPORTING REQUIREMENTS.—Sections 2803(a) and 2804(a) of title 39, United States Code, are amended by striking ''2401(g)'' and inserting ''2401(e)''.

(e) AUTHORITY TO FIX RATES AND CLASSES GENERALLY; REQUIREMENT RELATING TO LETTERS SEALED AGAINST INSPECTION.—Section 404 of title 39, United States Code (as amended by section 102) is further amended by redesignating subsections (b) and (c) as subsections (d) and (e), respectively, and by inserting after subsection (a) the following:

''(b) Except as otherwise provided, the Governors are authorized to establish reasonable

and equitable classes of mail and reasonable and equitable rates of postage and fees for postal services in accordance with the provisions of chapter 36. Postal rates and fees shall be reasonable and equitable and sufficient to enable the Postal Service, under best practices of honest, efficient, and economical management, to maintain and continue the development of postal services of the kind and quality adapted to the needs of the United States.

''(c) The Postal Service shall maintain one or more classes of mail for the transmission of letters sealed against inspection. The rate for each such class shall be uniform throughout the United States, its territories, and possessions. One such class shall provide for the most expeditious handling and transportation afforded mail matter by the Postal Service. No letter of such a class of domestic origin shall be opened except under authority of a search warrant authorized by law, or by an officer or employee of the Postal Service for the sole purpose of determining an address at which the letter can be delivered, or pursuant to the authorization of the addressee.''.

(f) LIMITATIONS.—Section 3684 of title 39, United States Code, is amended by striking all that follows ''any provision'' and inserting ''of this title.''.

(g) MISCELLANEOUS.—Title 39, United States Code, is amended—

(1) in section 1005(d)(2)—

(A) by striking ''subsection (g) of section 5532,''; and

(B) by striking ''8344,'' and inserting ''8344'';

(2) in the analysis for part III, by striking the item relating to chapter 28 and inserting the following:

''28. Strategic Planning and Performance Management ..... 2801'';

(3) in section 3005(a)—

(A) in the matter before paragraph (1), by striking all that follows ''nonmailable'' and precedes ''(h),'' and inserting ''under section 3001(d),''; and

(B) in the sentence following paragraph (3), by striking all that follows ''nonmailable'' and precedes ''(h),'' and inserting ''under such section 3001(d),'';

(4) in section 3210(a)(6)(C), by striking the matter after ''if such mass mailing'' and before ''than 60 days'' and inserting ''is postmarked fewer''; and

(5) by striking the heading for section 3627 and inserting the following:

''§ 3627. Adjusting free rates''.

TITLE IX—POSTAL PENSION FUNDING REFORM AMENDMENTS

SEC. 901. CIVIL SERVICE RETIREMENT SYSTEM.

(a) TERMINATION OF OBLIGATION TO PAY GOVERNMENT CONTRIBUTIONS.—Section 8334(a)(1)(B)(ii) of title 5, United States Code, is amended by striking all that follows ''be equal to'' and inserting ''zero.''.

(b) DETERMINATION AND DISPOSITION OF POSTAL SURPLUS OR SUPPLEMENTAL LIABILITY.—Section 8348(h) of title 5, United States Code, is amended to read as follows:

''(h)(1) For purposes of this subsection, a Postal surplus (or supplemental liability) is the amount, as estimated by the Office, by which—

''(A) the actuarial present value of all future benefits which are payable from the Fund under this subchapter to current or former employees of the United States Postal Service, or their survivors, and attributable to civilian employment with the Postal Service, is less than (or greater than)

''(B) the sum of—

''(i) the actuarial present value of deductions to be withheld from the future basic pay of employees of the Postal Service currently subject to this subchapter pursuant to section 8334;

''(ii) that portion of the Fund balance, as of the date such surplus or supplemental liability is determined, attributable to payments to the Fund by the Postal Service and its employees, plus the earnings on such amounts while in the Fund; and

''(iii) any other appropriate amount, as determined by the Office in accordance with generally accepted actuarial practices and principles.

''(2)(A)(i) Not later than June 15, 2006, the Office shall determine the Postal surplus or supplemental liability as of September 30, 2005.

''(ii) If a supplemental liability is determined under this subparagraph for fiscal year 2005, the Office shall establish an amortization schedule, including a series of equal annual installments commencing September 30, 2006, which provides for the liquidation of such liability by September 30, 2043.

''(iii) If a surplus is determined under this subparagraph for fiscal year 2005, the amount of the surplus shall be transferred to the Postal Service Retiree Health Benefits Fund by June 30, 2006.

''(B)(i) For each of fiscal years 2006 through 2038, the Office shall determine the Postal surplus or supplemental liability as of the close of such fiscal year, with each such determination to be made by June 15th of the following fiscal year.

''(ii) If a supplemental liability is determined under this subparagraph for a fiscal year, the Office shall establish an amortization schedule, including a series of equal annual installments commencing on September 30 of the following fiscal year, which provides for the liquidation of such liability by September 30, 2043.

''(iii)(I) If a surplus of $500,000,000 or more is determined under this subparagraph for a fiscal year, the amount of the surplus shall be transferred to the Postal Service Retiree Health Benefits Fund by June 30th of the following fiscal year.

''(II) If a surplus of less than $500,000,000 is determined under this subparagraph for a fiscal year, the surplus shall remain in the Fund, subject to transfer in a subsequent fiscal year under subclause (I) or subparagraph (C)(iii).

''(C)(i) Not later than June 15, 2040, the Office shall determine the Postal surplus or supplemental liability as of September 30, 2039.

''(ii) If a supplemental liability is determined under this subparagraph for fiscal year 2039, the Office shall establish an amortization schedule, including a series of equal annual installments commencing September 30, 2040, which provides for the liquidation of such liability by September 30, 2043.

''(iii) If a surplus is determined under this subparagraph for fiscal year 2039, the amount of the surplus—

''(I) shall be applied first toward reducing the amount of any supplemental liability described in section 8423(b)(1)(B); and

''(II) to the extent that any portion of such surplus remains after the application of subclause (I), shall, not later than June 30, 2040, be transferred to the Postal Service Retiree Health Benefits Fund.

''(D) An amortization schedule under this paragraph—

''(i) shall be established in accordance with generally accepted actuarial practices and principles, with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System;

''(ii) shall supersede any amortization schedule previously established under this paragraph; and

''(iii) shall not be taken into account, for purposes of any determination of Postal surplus or supplemental liability, except to the extent of any amounts under such schedule actually paid.

''(E)(i) The Postal Service shall pay to the Office the amounts due under any amortization schedule established under this paragraph, to the extent not superseded or canceled.

''(ii) A determination under subparagraph (B)(i) or (C)(i) that no supplemental liability exists shall cancel any amortization schedule previously established under this paragraph, to the extent of any amounts first coming due after the close of the fiscal year to which such determination relates.

''(3) Notwithstanding any other provision of law, in computing the amount of any payment under any other subsection of this section that is based on the amount of the unfunded liability, such payment shall be computed disregarding that portion of the unfunded liability that the Office determines will be liquidated by payments under this subsection.

''(4) As used in this subsection, 'Postal Service Retiree Health Benefits Fund' refers to the Postal Service Retiree Health Benefits Fund, as established by section 8909a.''.

(c) PROVISIONS RELATING TO AMOUNTS FOR MILITARY SERVICE.—In the application of paragraph (2) of section 8348(g) of title 5, United States Code, for fiscal year 2006, the Office of Personnel Management shall include, in addition to the amount otherwise computed under that paragraph, the amounts that would have been included for fiscal years 2003 through 2005 with respect to credit for military service of former employees of the United States Postal Service if Public Law 108-18 had not been enacted (including earnings thereon) and the Secretary of the Treasury shall make the required transfer to the Civil Service Retirement and Disability Fund based on that amount.

(d) REVIEW.—

(1) IN GENERAL.—Notwithstanding any other provision of this section, any determination or redetermination made by the Office of Personnel Management under this section shall, upon request of the United States Postal Service, be subject to review by the Postal Regulatory Commission. The Commission shall submit a report containing the results of any such review to the Postal Service, the Office of Personnel Management, and the Congress.

(2) RESPONSE.—Upon receiving the report of the Postal Regulatory Commission, the Office of Personnel Management shall reconsider its determination or redetermination in light of such report, and shall make any appropriate adjustments. The Office shall submit a report containing the results of its reconsideration to the Commission, the Postal Service, and the Congress.

SEC. 902. HEALTH INSURANCE.

(a) IN GENERAL.—Chapter 89 of title 5, United States Code, is amended—

(1) in section 8906(g)(2)(A), by striking ''by the United States Postal Service.'' and inserting ''first from the Postal Service Retiree Health Benefits Fund up to the amount contained therein, with any remaining amount paid by the United States Postal Service.'';

(2) by inserting after section 8909 the following:

''§ 8909a. Postal Service Retiree Health Benefits Fund

''(a) There is in the Treasury of the United States a Postal Service Retiree Health Benefits Fund (hereinafter in this section referred to as the 'Fund') which is administered by the Office of Personnel Management. Any amounts transferred to the Fund under section 8348(h)(2) shall yield interest at a rate equal to the weighted average yield of all the investments in the Civil Service Retirement and Disability Fund as of the date of transfer. All other investments of amounts in the Fund shall be made in accordance with subsections (c)–(e) of section 8348.

''(b) The Fund is available without fiscal year limitation for payments required by section 8906(g)(2).

''(c)(1) Not later than June 30, 2006, and by June 30 of each succeeding year, the Office of Personnel Management shall compute the net present value of the excess of future payments required by section 8906(g)(2)(A) for current and future United States Postal Service annuitants over the value of the assets of the Fund as of

the end of the fiscal year ending on September 30 of that year. The actuarial costing method to be used by the Office and all actuarial assumptions shall be established by the Office after consultation with the United States Postal Service and must be in accordance with generally accepted actuarial practices and principles.

''(2) Not later than September 30, 2006, and by September 30 of each succeeding year, the Office shall compute and the United States Postal Service shall pay into such Fund—

''(A) the portion of the net present value described in paragraph (1) attributable to the current year's service of Postal Service employees; and

''(B) interest on the net present value described in paragraph (1) for that fiscal year, at the interest rate used in computing that net present value;

except that the amount otherwise payable by the Postal Service under the preceding provisions of this paragraph by not later than September 30, 2006, shall be reduced by the total contributions made by the Postal Service under section 8906(g)(2) and attributable to fiscal year 2006 (as determined by the Office).

''(3)(A) Any computation or other determination of the Office under this subsection shall, upon request of the Postal Service, be subject to review by the Postal Regulatory Commission. The Commission shall submit a report containing the results of any such review to the Postal Service, the Office of Personnel Management, and the Congress.

''(B) Upon receiving the report of the Postal Regulatory Commission, the Office of Personnel Management shall reconsider its computation or other determination in light of such report, and shall make any appropriate adjustments. The Office shall submit a report containing the results of its reconsideration to the Commission, the Postal Service, and the Congress.

''(4) The Office shall promulgate, after consultation with the United States Postal Service, any regulations it deems necessary under this subsection.''; and

(3) in the analysis by inserting after the item relating to section 8909 the following:

''8909a. Postal Service Retiree Health Benefits Fund.''.

(b) REVIEW.—

(1) IN GENERAL.—Any regulation established under section 8909a(c)(4) of title 5, United States Code (as amended by subsection (a)) shall, upon request of the Postal Service, be subject to review by the Postal Regulatory Commission. The Commission shall submit a report containing the results of any such review to the Postal Service, the Office of Personnel Management, and the Congress.

(2) RESPONSE.—Upon receiving the report of the Postal Regulatory Commission, the Office of Personnel Management shall reconsider its regulation in light of such report, and shall take such action as it considers appropriate. The Office shall submit a report containing the results of its reconsideration to the Commission, the Postal Service, and the Congress.

SEC. 903. REPEALER.

Section 3 of Public Law 108–18 is repealed.

SEC. 904. ENSURING APPROPRIATE USE OF ESCROW AND MILITARY SAVINGS.

(a) DEFINITION.—For purposes of this section, the term ''total savings'' means, for any fiscal year, the amount equal to—

(1) the amount of contributions that the Postal Service would otherwise have been required to make to the Civil Service Retirement and Disability Fund under subchapter III of chapter 83 of title 5, United States Code, for such fiscal year if Public Law 108-18 and this Act had not been enacted, minus

(2) the amount of amortization payments (if any) required under section 8348(h)(2) of title 5, United States Code, for such fiscal year.

(b) CALCULATIONS.—The following calculations shall be made for each of fiscal years 2006 through 2015:

(1) Not later than January 31 of the fiscal year following the fiscal year involved, the Office of Personnel Management (in consultation with the Postal Service) shall determine the total savings for the fiscal year.

(2) On the date of making its determination under paragraph (1), the Office shall also determine (in consultation with the Postal Service) the amount by which—

(A) the amount the Postal Service paid for that fiscal year into the Postal Service Retiree Health Benefits Fund in accordance with 8909a(c)(2) of title 5, United States Code, exceeds (if at all)

(B) the amount of payments made by the Postal Service for that fiscal year from such Fund in order to satisfy the requirements of section 8906(g)(2) of such title 5.

(c) REQUIREMENTS.—

(1) IF THRESHOLD IS MET.—If the amount calculated under subsection (b)(2) for a fiscal year is greater than or equal to two-thirds of the total savings in such fiscal year, no further action under this section is necessary with respect to such fiscal year.

(2) IF THRESHOLD IS NOT MET.—

(A) IN GENERAL.—If the amount calculated under subsection (b)(2) for a fiscal year is less than two-thirds of the total savings in such fiscal year, the Postal Service shall pay into the Postal Service Retiree Health Benefits Fund, by June 30 of the following fiscal year, an amount equal to the difference.

(B) ALLOWABLE ALTERNATIVE.—

(i) IN GENERAL.—Notwithstanding subparagraph (A), and subject to clause (ii), the Postal Service may instead use the amount that it would otherwise be required to pay into the Postal Service Retiree Health Benefits Fund for a year (or any portion thereof) to reduce the postal debt.

(ii) LIMITATION.—Amounts used to reduce the postal debt under this subparagraph may not exceed a total of $3,000,000,000.

(3) AGGREGATION ALLOWED.—Notwithstanding paragraph (2), if the amount calculated under subsection (b)(2) for a fiscal year is less than two-thirds of the total savings in such fiscal year, but the sum of the amounts calculated under subsection (b)(2) for all fiscal years from 2006 to the fiscal year involved is greater than or equal to two-thirds of the sum of the total savings for such years, no further action under this section is necessary with respect to such fiscal year.

(d) REPORTING REQUIREMENT.—The Office of Personnel Management shall submit a report containing the results of its calculations under subsection (b) to the Postal Service, the Postal Regulatory Commission, and the Congress.

(e) WAIVER AUTHORITY.—The requirements of subsection (c)(2)(A) may, upon application of the Postal Service, be waived by the Postal Regulatory Commission, to the extent that the Commission determines that such waiver is reasonable and equitable and necessary to enable the Postal Service, under best practices of honest, efficient, and economical management, to maintain and continue the development of postal services of the kind and quality adapted to the needs of the United States.

SEC. 905. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided, this title shall take effect on October 1, 2005.

(b) GOVERNMENT CONTRIBUTIONS.—Section 901(a) shall take effect on the first day of the first pay period beginning on or after October 1, 2005.

The CHAIRMAN. No amendment to the committee amendment in the nature of a substitute is in order except those printed in House Report 109–184. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

It is now in order to consider amendment No. 1 printed in House Report 109–184.

AMENDMENT NO. 1 OFFERED BY MR. PENCE

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. PENCE:

Page 73, strike line 7 and all that follows through page 74, line 2.

Page 74, line 3, strike ''(d)'' and insert ''(c)''.

Page 74, strike all after ''Act'' on line 7 and before ''any'' on line 9, and insert ''or''.

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The CHAIRMAN. Pursuant to House Resolution 380, the gentleman from Indiana (Mr. PENCE) and the gentleman from Virginia (Mr. TOM DAVIS) each will control 10 minutes.

The Chair recognizes the gentleman from Indiana (Mr. PENCE).

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

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

I rise today to offer the Pence amendment to the Postal Accountability and Enhancement Act, and, along with several of my colleagues, will endeavor to bring real reform and real enhancement to a bill however well conceived and well intentioned by my colleagues. In fact, I rise today to begin by thanking the gentleman from Virginia (Chairman TOM DAVIS) and the gentleman from New York (Mr. MCHUGH), the author of this legislation, for their leadership on this measure and their sincerity in attempting to ensure the ongoing vitality of the U.S. Postal Service and the tradition that it has enjoyed in this Nation, an invaluable part of our economy since before our Nation was formed.

But before I get to the substance of the Pence amendment, Mr. Chairman, I want to begin to address the reasons why the Bush administration did today issue a Statement of Administration Policy opposing significant portions of this legislation and, in fact, suggesting that if this legislation did not achieve the objective of budget restraint and fiscal reform, that the President's advisers would encourage him to veto this legislation that will come before the House today.

A few observations from the report on the President's Commission of the United States Postal Service are in order. The Commission found that the number one problem facing the United States Postal Service is its complete inability to control costs, and ratepayers have been paying the freight as

a result of that along with taxpayers, who recently financed nearly $7 billion in a Postal Service bailout just a few short years ago. Of that uncontrollable cost, 80 percent of the United States Postal Service costs are constituted in labor, this in a competitive marketplace where its competitors like UPS and FedEx spend only 56 percent and 42 percent of their cost on labor. Clearly the United States Postal Service is, as the President's Commission found, desperately in need of flexibility to achieve labor and workforce reforms.

The USPS is currently providing its workers roughly $870 million more in benefits than Federal workers receive as a result of lucrative health and life insurance benefits, and that is just the beginning.

H.R. 22 that we will consider today contains none of the main collective bargaining proposals offered by the President's Commission. It contains none of the reforms offered by the Commission to establish a BRAC-style process to consolidate and shut down facilities that use money. And while H.R. 22 does laudably contain a cap on postal rate increases, many are highly skeptical about how that will work. The Congressional Budget Office states that the USPS will ''increase rates . . . more frequently than under current law, but by smaller increments.'' In addition, the cap could be blown if such an increase were ''reasonable and equitable and necessary'' for the continuation of services. Such a cap hardly equips the U.S. Postal Service with the tools to control costs and renegotiate its labor costs.

So we come today, a series of us, with the kind of reforms that we believe will give the Postal Service the opportunity and the flexibility to achieve reforms necessary to live within its means. That is why I submitted an amendment to enact the Commission's recommendation to ensure that health care and pension benefits ought to be a part of normal collective bargaining. It was rejected and will not be considered today. That is why the gentleman from North Carolina (Mr. MCHENRY) had offered an amendment to enact the Commission's recommendation to reform the workmen's compensation reforms to align more closely with the private sector. Unfortunately, these amendments were made not in order.

In fact, today the Pence amendment will deal with a provision of this legislation that, believe it or not, would set aside a seat on the Board of Governors specifically for an individual unanimously approved by all labor unions. More on that in a moment.

I say this with deep respect, Mr. Chairman. I understand why the Democratic minority whip just said on this floor that this was ''a good bill that should be passed this year.'' I just do not understand why a Republican majority in Congress, with the firm and clear opposition of a Republican President, would do likewise.

Let me get to the substance of the Pence amendment, if I may. The Pence amendment essentially removes a provision of H.R. 22 that requires that the first vacant slot on the Board of Governors literally be filled by an individual with the unanimous backing of ''all labor organizations.'' The headlines today would attest that it might be difficult, depending on the definition of ''all labor organizations,'' to get all labor organizations to agree on anything these days.

Currently the Board of Governors consists of nine members with no more than five from the same party. This bill would ensure that one of these seats would be set aside to represent the interests of one special interest group to the exclusion of other interests like mailers or, dare I say it, taxpayers. It is this type of provision that we must confront in this legislation, and the Pence amendment humbly seeks to strike that.

And workforce is the issue. Mr. Chairman, the U.S. Postal Service is the second largest employer in the United States, second only to Wal-Mart. And according to the President's Commission report, 3 out of every $4 earned by the Postal Service went to pay wages and benefits of its employees in fiscal year 2002. The unions have been extraordinarily effective over the last 25 years, as has been said over and over again, preventing layoffs and recently announcing having inked the second largest pay increase in the unions' history. I believe that is why the Statement of Administration Policy that was issued today simply read, and I quote, ''Should the final bill have such an adverse impact on the federal budget, the President's senior advisers would recommend that he veto the bill.''

The Pence amendment is all about bringing the kind of reforms in this bill that will allow the U.S. Postal Service to maintain its vitality and its fiscal integrity for years to come. The Pence amendment in its effort to strike section 401 is a modest effort to achieve that goal.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, the gentleman from Indiana described the President's Commission on Postal Reform. Many of the broad outlines of that Commission's recommendations are in the legislation before us today.

The legislation before us today is supported by not Democrats, not just Republicans, but by labor unions and management, the National Association of Manufacturers, the National Federation of Independent Businesses, Small Business Legislative Council, and the postal unions. And I will not go through all of them, but all the newspapers, the publishers, the mailers, all the people that look to the Postal Service for their service.

This amendment, when we get right to what the amendment is all about, is to take the one out of nine seats on the Board of Governors away from a union representative. The Postal Service has 700,000 career employees. They are the ones who make the system work. Are they not entitled to have one representative on this board? This idea of giving them representation is backed by labor, management, business. We have all worked cooperatively together on postal reform legislation. They have built trust and made compromises. That is why this legislation is so broadly supported.

This amendment would undermine the consensus behind the legislation. It singles out one group and says they lose, they lose their seat on the Board. That may be good politics for people who want to say they are antiunions, but it is not good for this legislation or for the Postal Service.

So I would urge my colleagues to oppose the Pence amendment and to support the bill, not to adopt this or any other amendment that would undermine the consensus behind the legislation. And then let us move forward. We will have to be talking to the other body. We will have to be talking to the President and people in his administration in order to get a law, but we have a consensus for a bill that we hope will become law.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I thank the gentleman for yielding me this time.

This amendment that is proposed would remove a provision from a very carefully crafted piece of legislation that would require the first vacant slot on the Postal Service Board of Governors to be filled by an individual with unanimous backing by labor unions. Currently there are 11 members. This bill would provide that one of those seats become a labor seat, certainly not documented by labor. One seat would be a labor seat.

The provision requiring the seat to become a labor seat has been in the Postal Accountability and Enhancement Act for 11 years. No group on either side of the issue has ever expressed any opposition to the change in statute, and I am unclear why this issue has actually risen today. Simply requiring one of a nine-member Board speak on behalf of thousands of employees in everyone's district here hardly seems to be unreasonable or undoable.

H.R. 22 is a bill that we have heard many people on the floor say how many years it has been worked on, well over decades. I urge my colleagues to vote against this and other amendments under consideration today that do not provide for any real improvements in the underlying text of the bill that we have before us tonight.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. MCHUGH).

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

I want to be very quick here, and I certainly appreciate our distinguished colleague's comments and deeply appreciate his concern.

Just a couple of points. As the gentleman from California (Mr. WAXMAN) said, I have to disagree with the gentleman's comments that somehow the President's Commission is at odds with what this bill entails. In fact, I think it is fair to say the President's Commission adopted at least, at least, 80 percent of H.R. 22 as it was originally crafted and continues to be contained therein.

He also spoke about the Statement of Administration Policy, the SAP, and talked about labor representation as though the President has opposed this. That is not true. The President's SAP does not address this issue, and, in fact, the United States Postal Service has not taken a position on this particular provision as well, which is the context of the gentleman's amendment. So with all due respect, I think that clarification is vital.

It also talked about Republican-Democrat. I do not think this is a novel concept. Many major corporations from DaimlerChrysler, TWA, and on and on have labor union representation on their boards. I would also note that many organizations that are generally not considered liberal, perhaps Democrat, not just support H.R. 22, but oppose the gentleman's amendment. I will name just a few: American Express, Bank of America, Capital One, JP Morgan Chase, the Citigroup, Financial Services Roundtable. As I said, pretty conservative organizations that oppose this amendment.

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The fact of the matter is, this is well accepted in the industry sector. There will be one out of nine members of the Board of Governors, and I do not think it is unreasonable to have such a labor-intensive organization have a labor vote on that. While I do respect the gentleman's intent, I think, as has been suggested, these are issues that are much better dealt with in the context of the committee.

Mr. PENCE. Mr. Chairman, I yield 1 minute to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I rise in support of the Pence amendment.

It is important to remove this language in H.R. 22 that reserves one seat on the Postal Board of Governors for a representative of labor unions.

The U.S. Postal Service is a government-owned corporation and, as such, is technically owned by the U.S. taxpayers. Reserving one space exclusively for labor representatives confers preferential status and, in my view, undue influence to one interest group at the expense of all other stakeholders in postal operations, particularly first-class mail users.

I think it is a good amendment. I think it is something that I believe this kind of set-aside may not be in the Senate version of the bill. It is certainly a topic that needs to be debated and taken up in conference, and I would encourage my colleagues to accept it.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, one of the great accomplishments of this legislation is the fact that it was able to bring labor and management together, to bring both sides to the table and have them agree. The gentleman from Indiana's amendment did not mention the fact that four of the slots were designated for management. So certainly, if management would have at least four slots pretty much designated, then certainly labor ought to have one.

The other point is that throughout the deliberations, very seldom did we hear much conversation about Democrats and Republicans. We really talked about moving a postal system and a postal service forward. So I would oppose the gentleman's amendment.

Mr. PENCE. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of his amendment.

As I understand it, if there are nine members of this board, no more than five can be from the party of the President. Inasmuch as the President is presently a Republican, that would mean that at least four seats would be allocated to those who are members of the Democrat party. The last time I looked, although perhaps some labor unions are having a falling out amongst themselves, there has not been a falling out between the labor union movement and the Democrat Party, so I would think they would be well represented.

I think perhaps somebody that might be terribly underrepresented tonight would be the poor beleaguered taxpayer. Given that there are over 140 million of them, perhaps we should consider reserving at least one seat for them, to make sure that their interests are represented since, too often, so many of the aspects of this legislation that we are discussing tonight ultimately could fall upon them. If there is anybody who deserves special recognition, and not that all stakeholders should not be considered, I would suggest that we reserve a seat for the taxpayer.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

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

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the distinguished gentleman for yielding me this time.

First of all, I cannot thank the ranking member and the chairman of the full committee, and the ranking member of the subcommittee and chairman of the subcommittee enough for such a thoughtful piece of legislation. But with respect to this amendment, might I say the composition of this board and the representation of one union member is what you call consensus and what you call cooperation.

Just listening to the leadership of my local union, the letter carriers, with the President, President Prissy Grace, and the American Postal Workers Union, as well as the Postmaster General in my congressional district, Ms. Green, they have had a working relationship that can be exhibited by the structure in which this particular legislation allows: representation of the workers, the workers who are committed to delivering the mail, rain or shine. I think that to eliminate this particular position really eliminates the voice of the workers.

We are already saying that we are committed to the work ethic of the postal workers in the postal system. This is a reform and reformation of the postal system for the better, to make them efficient, to make them productive, and to serve the American people. Having their work represented on this board serves the American people, and I ask my colleagues to support the amendment.

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

I thank the members of the committee, especially the author of this bill, for their sincerity of purpose and civility in this debate. I also thank my colleagues who have risen in support of the Pence amendment, which, again, simply removes the provision of H.R. 22 that requires that the first vacant slot on the Board of Governors be filled by an individual with unanimous backing by all labor organizations.

The Pence amendment is supported by National Right to Work, by Americans For Tax Reform. We already have fairness on the board, Mr. Chairman: five members of one political party, the party in power in the White House, and four members appointed by the other political party. We do not need a tie-breaker member that is selected by the unanimous consent of all the labor unions.

If we are going to achieve the labor and workforce reforms necessary to restore efficiency to the Postal Service and ensure its vitality in the 21st century, we must ensure that those reforms are not stymied by a reserved seat for labor unions on the postal board.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself such time as

I may consume. I thank my friend for offering his amendment. I am unable to support it, but I understand the spirit in which he is giving it to try to make this a better bill.

This is a carefully crafted bill in which Republicans and Democrats have come together to try to work through a lot of issues, and moving one part out really jeopardizes the total package.

The gentleman quoted the minority leader, or the minority whip, as saying, This is a good bill and it should be passed this year; and he understood that, but why would a Republican Congress do it.

A Republican Congress would pass this bill because we do not want a 2-cent rate increase next January. The only way we can forestall that rate increase is by passing this legislation; and to pass this legislation, we need to work together with Republicans and Democrats. That means we give on some issues and we take on others.

The question was raised, well, we ought to have a taxpayer on the board. I think everybody who is on the board is a taxpayer. The fact of the matter is, there are four members of the board who are management, but they are not postal management. There are two postal management members of the board, and this would reserve one for the unions to pick; and by the way, there are diversity among the postal unions. That is a tough job to pick somebody because of competing interests over mail handlers versus letter carriers and the like.

But this is good legislation, and I am afraid that this amendment, in my judgment, despite I think the best intentions of its author, will upset that delicate balance that we have created to this point. It is not something that is new to corporate America to have a member of labor sitting on corporate boards. It is actually done quite frequently, particularly in the airline industry and a number of other industries where this is fairly common at this point. And since the postal workers have a lot to gain or lose by this as well, we think their voice can be very constructive at the end of the day.

So for those reasons and the fact that this particular provision has been in the bill since its introduction 11 years ago, and until this amendment was filed, I do not think any objections have been raised. I understand where the gentleman is coming from; but for those reasons, I would ask my colleagues to reject the Pence amendment and to support the final passage.

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

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. PENCE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PENCE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Indiana (Mr. PENCE) will be postponed.

It is now in order to consider amendment No. 2 printed in House Report 109–184.

AMENDMENT NO. 2 OFFERED BY MR. FLAKE

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Mr. FLAKE:

Page 120, after line 8, insert the following (and make such technical and conforming changes as may be appropriate):

SEC. 712. PILOT PROGRAM TO TEST ALTERNATIVE METHODS FOR THE DELIVERY OF POSTAL SERVICES.

(a) PILOT PROGRAM.—The United States Postal Service may conduct a pilot program to test the feasibility and desirability of alternative methods for the delivery of postal services. Subject to the provisions of this section, the pilot program shall not be limited by any lack of specific authority under title 39, United States Code, to take any action contemplated or, to the extent specified in a waiver granted by the Postal Service in accordance with regulations under subsection (f), by any provision of law, rule, or regulation inconsistent with any action contemplated (any such waiver to be granted or denied in consultation with the Attorney General, to the extent any provision of title 18, United States Code, is involved).

(b) REQUIREMENTS.—

(1) IN GENERAL.—Under the pilot program, alternative methods for the delivery of postal services may be tested only in those communities that submit an appropriate application (together with a written plan) in such time, form, and manner as the Postal Service by regulation requires, and whose application has been duly approved. Any such application shall include—

(A) a description of the postal services that would be affected;

(B) the alternative providers selected and the postal services each would furnish (or the manner in which those decisions would be made);

(C) the anticipated costs and benefits to the Postal Service and users of the mail;

(D) the anticipated duration of the community's participation;

(E) a specific description of any actions contemplated for which there is a lack of specific authority or for which a waiver (as described in subsection (a)) would be necessary; and

(F) such other information as the Postal Service may require.

(2) REVIEW BOARDS.—Under the pilot program, the postmaster or postmasters within a community may, in accordance with regulations prescribed by the Postal Service, establish a postal performance review board (hereinafter in this section referred to as a ''review board''). It shall be the function of a review board to submit any application under paragraph (1) on behalf of the community that it represents and to carry out the plan on the basis of which any such application with respect to such community is approved. A review board shall consist of the postmaster for the community (or, if there is more than one, the postmaster designated in accordance with regulations under subsection (f)), at least 1 individual who shall represent the interests of business concerns, and at least 1 individual who shall represent the interests of users of the class of mail for which the most expeditious handling and transportation is afforded by the Postal Service. The postmaster (or postmaster so designated) shall serve as chairman of the review board.

(3) ALTERNATIVE PROVIDERS.—To be eligible to be selected as an alternative provider of postal services, a provider must be a commercial enterprise, nonprofit organization, labor organization, or other person that—

(A) possesses the personnel, equipment, and other capabilities necessary to furnish the postal services concerned;

(B) satisfies such security and other requirements as may be necessary to safeguard the mail, users of the mail, and the general public;

(C) submits a bid to the appropriate review board in such time, form, and manner (together with such accompanying information) as the review board may require; and

(D) meets such other requirements as the review board may require, consistent with any regulations under subsection (f) that may apply.

(4) USE OF POSTAL FACILITIES AND EQUIPMENT.—Postmasters shall at their discretion be permitted to allow alternative providers the use of facilities and equipment of the Postal Service, and any such proposed use shall, for purposes of the competitive bidding process, be taken into account using fair market value.

(c) LIMITATIONS.—The pilot program—

(1) may involve not more than a total of 20 communities; and

(2) shall terminate not later than 5 years after the date on which the program commences.

(d) TERMINATION AUTHORITY.—Subject to such conditions as the Postal Service may by regulation prescribe and the terms of any written agreement or contract entered into in conformance with such regulations, the participation of a community in the pilot program may be terminated by the Postal Service or by the review board for such community if either determines that the continued participation of the community is not in the best interests of the public or the Government of the United States.

(e) EVALUATIONS.—The Postal Service shall provide for an evaluation of the operation of the pilot program within each community that participates. Any such evaluation shall examine, at least and if applicable, reliability of mail delivery (including the rate of misdeliveries), timeliness of mail delivery (including the time of day that mail is delivered and the time elapsing from the postmarking to delivery of mail), volume of mail delivered, and any cost savings or additional costs to the Postal Service attributable to the use of alternative providers. Data included in any such evaluation shall be analyzed—

(1) by community characteristics, time of year, and type of postal service;

(2) by residential, business, and any other type of mail user; and

(3) on such other bases as the Postal Service may determine.

Each such evaluation and an overall evaluation of the pilot program shall be transmitted by the Postal Service to the President and each House of Congress by not later than 90 days after the date on which the program terminates.

(f) REGULATIONS.—The Postal Service may prescribe any regulations necessary to carry out this section.

(g) RULE OF CONSTRUCTION.—Nothing in this section shall be considered to affect the obligation of the Postal Service to continue providing universal service, in accordance with otherwise applicable provisions of law, in all aspects not otherwise provided for pursuant to this section.

The CHAIRMAN. Pursuant to House Resolution 380, the gentleman from Arizona (Mr. FLAKE) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Arizona (Mr. FLAKE).

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

My amendment is quite simple. It establishes a pilot program in at least 20 test communities, which would sunset in 5 years, to allow the U.S. Postal Service and the Congress to simply gather information. This pilot program would test the feasibility and desirability of alternative methods for the delivery of postal services.

The pilot program would test the current following assumptions about the Postal Service: Are consumers better off if the Postal Service remains a monopoly? Does the current postal infrastructure allow for as many delivery offerings as possible? Is the total value of the universal service model for postal delivery worth the expense?

Now, universal service by the Postal Service would continue to be provided, but participating postmasters would not be limited by the current monopoly statutes on first-class delivery and the use of postal mailboxes. If the postmaster so chooses, alternative providers, such as commercial enterprise, nonprofit organization, or a labor organization that satisfies a strict set of criteria could serve as an alternative provider for postal services. They would also be able to use the equipment and facilities of the USPS at the discretion of the postmaster for fair market value.

Mr. Chairman, with the dramatic reduction in first-class mail volume, coupled with the inability of the Postal Service to control costs, the Postal Service and Congress must have many well-tested alternatives for the future of mail delivery in the U.S.

Many European countries are well ahead of the U.S. on some new innovative ideas for structuring their respective postal delivery services. The pilot program is simply a test program to provide the Postal Service and Congress with useful information to make future changes to postal services, if needed.

I might add, Mr. Chairman, we know that some changes are needed. We are running into deficits; and every 4 years, we are bailing out the USPS. I do not want to be here 4 years from now doing the same thing. So let us test some alternatives. Let us see what else works. Let us see what other countries are doing that we might adopt to control costs and improve quality.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise to claim the time in opposition, and I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I understand this amendment is to do something on a pilot project basis with the idea that we are going to promote innovation in the delivery of the mail. Well, I support that goal.

H.R. 22 has many provisions to promote flexibility and innovation; but this amendment, maybe it was not intended this way, but it is drafted in a way that is an open invitation to abuse. It allows a local postmaster to contract out the delivery of the mail to private companies; and in the course of that amendment, it provides that any provision of Federal law that might otherwise apply to these contracts and the delivery of mail can be waived.

Well, that is incredibly far-reaching. It would mean a local postal official could set up his own company. He can ask his brother-in-law to set up another company and then contract with that company to do the job of delivering the mail. It is certainly a blatant conflict of interest.

But even criminal laws could be waived under this amendment. There would be no prohibition against under-the-table kickbacks. The provision could allow the waiver of the privacy of first-class mail. This could lead to a lot of unforeseen problems.

That is why the postmasters of this country, the National League of Postmasters, which represents the local postmasters, has said that the postmasters very strongly oppose the amendment: ''The Congressman's approach would be harmful to universal service.''

So it is not just that this amendment goes against the compromise that has brought this whole bill together, but I do not think it has been thought through, and I do not think we ought to adopt something that has so many possible ramifications to it that we would certainly regret.

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

I should point out to the gentleman that postmasters would have full authority under this legislation, under this amendment to actually contract out or not. They can disband the alternative at any time.

Now, under the law, only the government can do it right, and we ought to take over the entire economy. If we do not trust the private sector to deliver services more effectively and more efficiently than the government can, shoot, why do we not get in every business.

We know that that is not the case. We know the private sector typically can do it better, faster, cheaper, smarter than government.

Every 4 years, we are back in again to bail out the USPS. This simply says, why do we not try something, try some alternatives that are working in other countries; try some things that might work, that might lower the cost, that might be more taxpayer-friendly than this. That is what this amendment is all about.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself such time as I may consume.

We are not bailing out the post office every 4 years; it is like every 35 years, since the last act. We did come out with some additional money because of anthrax and because of the added burdens that we put on the post office at that point, but the post office has to operate under its own budget; and right now, the only thing they can rely on is rate increases, and rate increases drive mail away into other areas, which is why we are working this bill tonight.

I appreciate the gentleman's amendment, but I think it is unnecessary. The Postal Service already has considerable authority to test and implement different methods of providing services to the public. Nothing in the current law, I repeat, nothing in the current law or in H.R. 22 prevents the Postal Service from employing contractors in providing mail service.

The post office has a long history of doing so, starting with the Pony Express. For most of its history, the Postal Service has relied on dedicated contractors to manage small post offices, often in rural communities. Almost 8 percent of all of the post offices are operated under contract, not by postal employees; 8 percent.

Also, for 160 years, the Postal Service has relied on private contractors for the transportation and delivery of mail. Star route carriers today continue to operate, transporting mail efficiently and effectively nationwide, even delivering the mail to over 2 million homes 6 days a week. In many rural communities, those served by both contract postal units and star route carriers, the Postal Service's entire relationship with their customers is already handled by contractors, not employees.

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For these longstanding and successful postal contract arrangements, this amendment is at best unnecessary. At worst it adds a new layer of procedures that will place burdens on expanding these programs into newer areas. One puzzling aspect is its provision allowing the Postal Service to waive laws, rules and regulations, including sections of the criminal code, which I am not sure I understand. Maybe the gentleman on his time will explain.

But the Service does not need this waiver to contract the provisions. In fact, it only serves to remove needed protections safeguarding the sanctity, privacy and security of the mail. Do customers really want their mail delivered by contractors to whom no laws apply?

In short, the Postal Service has been conducting pilot tests of these ideas since the 19th century. I would say the evaluation phase is over, the results are in, they work. Let us not mess them up with a new, unnecessary, convoluted regulation. Both postmaster organizations oppose this.

And so I would urge that we defeat this amendment.

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

Mr. FLAKE. Mr. Chairman, before yielding 2 minutes to the gentleman from Indiana, let me just say that asking the Postal Service to give up what might lead to giving up their monopoly or a portion of their monopoly is unreasonable. We need to prime the pump a little. No private business would in their self-interest do that either. That is why this amendment is important.

Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. PENCE).

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

Mr. Chairman, I rise in strong support of the Flake amendment. There are 38,000 post offices, stations and branches in the U.S. Postal Service. The Flake amendment contemplates a pilot program that would affect 20 communities.

By my bad math, that is about 1/20 of 1 percent of the communities that are served by 38,000 post offices, stations and branches. But that is an unacceptable reform.

I rise with great respect to the gentleman from California (Mr. WAXMAN), who has been a champion of postal reform for much longer than I have been in Congress. I do respect the gentleman and have great respect for the chairman. It is lost on me why we cannot say, in the name of reform, in the greatest free-market economy in the history of the world, that we will allow for competition in 20 pilot programs to run out inefficiencies and to bring innovation and new ideas to the delivery of postal services.

The Flake amendment is just simply that; 38,000 post offices, stations and branches. The Flake amendment asks humbly that we identify 20 communities to test the feasibility and desirability of alternative methods of delivery of postal services, and this reform bill and its reformers oppose that pilot program.

Let us bring real reform to reform. If we cannot, let us introduce a pilot program where reform and the ideas of reform might be able to take hold to create a truly diverse 21st century postal delivery system for America.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Chairman, a couple of comments. The gentleman from Arizona (Mr. FLAKE) said you cannot expect the Postal Service to give back any of its monopoly powers. With all due respect, the Postal Service has agreed to this bill. In this bill there is a substantial reduction in the monopoly scope on first class mail.

Right now first class mail and monopoly is whatever the Postal Service says it is. Under this bill there is a bright line determination; it is six times the rate of the first class stamp, which is a substantial give-back.

I also have to underscore the distinguished chairman's concerns about the suspension of title 18. You can argue about the needs for reform in pilot tests and such, but maybe it was an inadvertent step, but the fact still remains the amendment before the committee today will be a suspension of the criminal code, which would empower, rightly or wrongly, those who would be entrusted with the mail of the United States Postal Service to be totally absolved under criminal responsibility.

Now, I can leave it to the imagination of the Members what that could potentially mean for identity theft and on and on and on. I doubt that the gentleman from Arizona (Mr. FLAKE) meant it, but regardless, that is what this reform calls for.

The last thing I would say is I think that a concern is about a new model for the Postal Service, and I would agree, and this bill understands that as well. We specifically negotiated with the administration a study to be conducted under the auspices of GAO. They will hire a contract specialty firm that will look at establishing a future business model that, in part, and I will quote from the bill, ''seeks to study the maintenance of the Postal Service in its current form as an independent establishment in the executive branch; and, two, transforming the Postal Service into an ordinary corporation, wholly owned by the government or wholly owned by private shareholders or partly by the government and partially by private shareholders.''

This bill admits we have to take a careful look at the future of the business model of the Postal Service. That is why this amendment should be rejected.

Mr. FLAKE. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. HENSARLING).

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

Mr. Chairman, I rise in support of this amendment. I do want to add my voice to those congratulating the gentleman from Virginia (Chairman TOM DAVIS) for his good work, and I know that the job has been very tough to try to reconcile all of the differing interests and opinions that are brought to bear. But I find it very difficult to believe that we have something to fear from a pilot program in 20 communities out of 38,000. It appears that something is not working, or we would not be here this evening.

Many, many years ago when I was in high school, I played both football and tennis, and I was equally poor at both, but I remember something a tennis coach once told me: There are many ways to lose at tennis. Try them all.

Well, we are losing here tonight if we are contemplating rate increases and imposing $6 billion on the taxpayers. Maybe we should try something new. Maybe we should try some pilot programs. Maybe we should get some more experimentation, some more innovation, some more competition into the system, and maybe we can find ways to start winning at this.

And because of that, I do rise in strong support of the gentleman's amendment.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, let me just say this: On the $6 billion figure floating around, it is important to understand that the reason the Congressional Budget Office scores this as an increase is because they have contemplated and put into their figuring that there will be rate increases. Our legislation takes away those rate increases, so that is not coming into the Treasury. So if you do not have a rate increase, it scores.

When you sit here and say it is going to cost the taxpayers, that means they do not have to go with a rate increase. We are being penalized because we are not doing rate increases, and it scores against us. We need to understand that. And that is why this legislation is being passed.

Mr. Chairman, I yield 1½ minutes to the gentleman from Connecticut (Mr. SHAYS).

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

The Postal Service delivers to 140 million sites, and there is about a million new sites every year. It provides universal service.

When I hear my colleagues talk about fine-tuning this bill, that is what we have been doing for the last 10 years. This is a bill that has been fine-tuned, and it has been fine-tuned in a way that has gotten support from disparate parts.

The employees who work at the postal system know that more than 200,000 jobs are going to be lost. That is why we opposed the first amendment by the gentleman from Indiana (Mr. PENCE) because we need employee buy-in.

The reason why we opposed this amendment, it seems to fail to understand that there is competition with FedEx, with UPS, with DHL and many more things. They are also competing with the newspapers.

We are trying to provide flexibility to the postal system. So I understand the concept of fine-tuning, but I would dispute significantly the failure to recognize that the bill has been fine-tuned. And when I am hearing my colleagues offer their amendments, I feel like they have not read the bill, because the bill allows for competition, it allows for flexibility, and it has buy-in in all of these disparate parts.

This amendment needs to be defeated if we are going to pass this bill.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I will reserve the balance of my time.

Mr. FLAKE. Mr. Chairman, I yield myself the balance of the time. I will go ahead and wrap up.

Labor costs consume 80 percent of the Postal Service revenue, whereas UPS and FedEx spend only 56 and 42 percent of their revenues on labor. I

know there are differences. It is a little different animal when we are talking about first class mail delivery, and what FedEx and UPS do, but 80 percent versus 56 and 42 percent respectively.

I think we ought to be questioning ourselves, what are they doing that we are not? What can we do so we will not have either more money out of the general fund or a rate increase? Whether it is paid by the consumer with monopoly service or the taxpayer is the same. It is both money coming out of the taxpayers' or consumers' pockets.

And I do not want to be here, like I said, 4 years from now talking about another rate increase or talking about more money from the general fund because we simply have not done anything about making sure that competition drives improvement in service and it controls cost. We know that from everything we know about the economy. We know that from education reform. We know that in other areas as well. Competition and choice controls costs and improve quality. This is what we are trying to jump-start here. That is the purpose of this amendment.

As the gentleman from Indiana (Mr. PENCE) mentioned, this is hardly revolutionary. A fraction of 1 percent would be allowed to actually test this proposition, that maybe competition would help control cost and improve quality, a fraction of 1 percent of all of the sites out there, of all of the systems running.

So this is a very modest amendment. I think it is important.

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

Mr. TOM DAVIS of Virginia. Mr. Chairman, I would just note that the universal service obligation of the post office gives it a burden in requirements that some of the other facts and figures alluded to do not have to meet.

Mr. Chairman, I would yield the remaining time to my colleague, the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, where I come from, there is an old saying: If it looks like a duck, acts like a duck, quacks like a duck, talks like a duck, then it is a duck. And it seems to me that the bottom line is this is an attempt to privatize the Postal Service, which would decimate the concept of universal service. There could be no universal service if this amendment is passed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. FLAKE).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. FLAKE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Arizona (Mr. FLAKE) will be postponed.

The CHAIRMAN. It is now in order to consider amendment No. 3 printed in House Report 109–184

AMENDMENT NO. 3 OFFERED BY MR. HENSARLING of texas

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

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. HENSARLING:

Page 138, line 13, strike ''(h)(1)'' and insert ''(h)(1)(A)''.

Page 138, line 16, strike ''(A)'' and insert ''(i)''.

Page 138, line 22, strike ''(B)'' and insert ''(ii)''.

Page 138, line 23, strike ''(i)'' and insert ''(I)''.

Page 139, line 1, strike ''(ii)'' and insert ''(II)''.

Page 139, line 7, strike ''(iii)'' and insert ''(III)''.

Page 139, after line 10, insert the following:

''(B)(i) In computing the actuarial present value of future benefits, the Office shall include the full value of benefits attributable to military and volunteer service for United States Postal Service employees first employed after June 30, 1971, and a prorated share of the value of benefits attributable to military and volunteer service for United States Postal Service employees first employed before July 1, 1971.

''(ii) Military service so included shall not be included in the computation of any amount under subsection (g)(2).

Page 142, strike line 21 and all that follows through page 143, line 7.

Page 143, line 8, strike ''(d)'' and insert ''(c)''.

Page 147, lines 12 through 13, strike ''**ESCROW AND MILITARY**'' (and make such technical and conforming changes as may be appropriate).

Page 148, line 2, strike ''for each of fiscal years 2006 through 2015'' and insert ''for fiscal year 2006 and each fiscal year thereafter''.

Page 148, line 24, strike ''two-thirds of''.

Page 149, line 6, strike ''two-thirds of''.

Page 149, line 25 through page 150, line 1, strike ''two-thirds of''.

Page 150, line 4, strike ''two-thirds of''.

Page 150, strike lines 13 through 21.

The CHAIRMAN. Pursuant to House Resolution 380, the gentleman from Texas (Mr. HENSARLING) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. HENSARLING).

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

Mr. Chairman, earlier this evening some Members rose in support of postal workers. Other rose in support of large postal customers. This is good, and this is well, and I respect that.

But tonight I wish to rise in support of the taxpayer. Today our Nation is riding a wave, an impending fiscal tsunami, that threatens to drown our children and grandchildren in a sea of red ink.

Since 2000, the amount that government spends annually per household has risen from $18,000 to over $20,000 in 2004. This is only the fourth time in our Nation's history that spending exceeded $20,000 per household. It also represents the largest expansion of the Federal Government since the Vietnam era.

The Federal debt now stands at a staggering $7.8 trillion, or roughly $26,600 for every man, woman and child in America. And the Nation's financial challenges are about to get markedly worse over the next decade.

Without reforms we know that Medicare will grow at a rate of 9 percent, Medicaid 7.8 percent and Social Security at 5.5 percent a year, far outstripping our country's economic growth or our ability to pay for them. Where will it all end?

□ 2045

According to the GAO, if we ignore the runaway growth of government spending, we will have to double taxes, double taxes on our children and grandchildren just to balance the budget by the year 2040. If this occurs, we stand to become the first generation of Americans to leave our children with a lower standard of living, not to mention a legacy of limited freedom and unlimited government.

Now, day after day Member after Member comes to this floor to decry the Federal deficit and the legacy of debt that we are leaving our children. Rarely have so many of us spoken so passionately against the Federal deficit and yet done so little about it.

Today, I wish to provide us with an opportunity to change that. In 1970, the fundamental principle of postal reform was established, that the Postal Service would become a self-financed entity. According to title 39 of the U.S. Code: ''Postal rates shall be established to apportion the costs of all postal operations to all users of the mail.''

Simply put, the U.S. Postal Service is supposed to pay its own freight; but according to the Congressional Budget Office, and I understand that the chairman of the full committee respectfully disagrees with their score, the CBO says H.R. 22 will actually place us further in debt by almost $6 billion over 10 years. And who should pay for that $6 billion?

It either must be paid by those who use the Postal Service or the taxpayers. I vote for those who actually use the service. Now, some of my colleagues have argued that the Postal Service faces unique responsibilities and thus taxpayers must subsidize them. It is true. The Postal Service does have some unique responsibilities, but they also enjoy a host of unique benefits that private businesses do not. The Postal Service pays no Federal, States, or local taxes. They are immune from most regulations such as zoning, motor vehicle registration, and even parking tickets.

The Postal Service can borrow from the Treasury at below-market rates and is immune from anti-trust laws despite the fact that it can compete against private companies.

The number one problem facing the United States Postal Service is not the lack of a taxpayer subsidy. It is their seeming inability to control costs. Labor costs consume 80 percent of the

Postal Service's revenue, whereas UPS and Fed Ex spend only 56 percent and 42 percent of their revenues on labor.

The Postal Service has been unable to close existing facilities or consolidate new operations. In fact, Mr. Chairman, over half of its 38,000 facilities do not generate enough revenue to cover their costs.

Mr. Chairman, again, I want to state that I respect the hard work that the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from New York (Mr. MCHUGH) have done on this bill. And I do understand that many different opinions had to be reconciled to get a postal reform bill to the floor. But I believe that we need to stand with President Bush, we need to stand with the American taxpayer and make this a budget-neutral bill. Instead, if we want to make the Postal Service more cost competitive, what we really need to do is enact all of the Presidential commission's workforce reforms.

In 2003, Congress decided that the Postal Service was on a course to possibly overpay its civil service retirement system costs. Rather than let the Postal Service spend the money, it retained it and an escrow account was created within the U.S. Treasury.

H.R. 22 releases that escrow account to pre-fund Postal Service health care liabilities. I agree this is a sound use of funds, but it is unfortunately incomplete. Under H.R. 22, only two-thirds of the funds would be used to fund the health care liabilities letting 2 to $3 billion a year slip back to the Postal Service for other expenditures.

With the Postal Service currently facing an unfunded health care liability of roughly $75 billion, I believe every dollar in the escrow account should be used to offset this growing concern. If not, taxpayers will surely be called upon to make up this tremendous shortfall.

Mr. Chairman, my amendment would reduce the cost of H.R. 22 substantially by ensuring that 100 percent of the civil service retirement system savings will be directed to the Postal Service's unfunded health care liability. In addition, this amendment would maintain the Postal Service's financial responsibility for paying the civil service retirement system costs associated with military service credits, instead of passing the cost on to the Treasury and the American taxpayer.

Again, the question is not whether but who will pay, the customers that use the Postal Service or the American taxpayers.

Mr. Chairman, I want the Postal Service to become more efficient, and I believe we can do so by enacting more of the President's initiatives. Let us not pass the buck to American taxpayers yet again. Let us not pile further debt upon our grandchildren. Let us ensure the United States Postal Service continues to pay its own freight. I do appreciate the good work of the gentleman from Virginia (Mr. TOM DAVIS), but let us make H.R. 22 budget neutral. I urge all of my colleagues to vote for this amendment.

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

Mr. TOM DAVIS of California. Mr. Chairman, I claim the time in opposition to the amendment.

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

Mr. Chairman, I appreciate where the gentleman is trying to go with this, but even the White House does not want to have this scored neutrally under CBO numbers. They have asked for the Office of Management and Budget numbers because the Congressional Budget Office ends up counting rate increases that have not taken effect as already being part of revenue. And to the extent that we can stave off stamp tax rate increases, what the gentleman's amendment would do, not stave it off but it includes it, to the extent we do that, then it counts against the budget.

The other problem in terms of budget neutrality comes from the President's own commission on the Postal Service which recommended that the military years of service for postal employees under the CSRS retirement program, that those years be paid for by the military like they are for every other agency of government instead of having postal patrons for that. This was the President's commission which recommended that.

What I have talked about, we save money, not take money away. But the question is why should rate payers have to pay for military service in an agency where you have veterans hiring preference? It is not fair to rate payers. It is driving up rates.

Finally, let me say, it is not two-thirds of the escrow funds that is funding health care. Ninety percent of the escrow funds over the next 5 years are to fund health care. That is more than any other agency in government. Not enough for some Members, I am sure; but this is the appropriate way in my opinion for the post office to operate.

We have committed to the White House. We are going to work to try to get this as budget neutral as we can as we move forward to the conference working with OMB, but the Congressional Budget Office's arcane scoring rules make it virtually impossible to get here in this particular case.

Once again, let me remind everyone, what is the alternative? The alternative to this legislation is rate increases, postal rate increases, a stamp act, on every man, woman and child that mails a letter in this country. That is what we are trying to stave off, because as rate increases go up, people quit using the post office; and it gets this downward spiral that will lead to the demise of the post office as we know it. That is why this legislation has such broad support from such diverse groups in the private sector and in the public sector.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Chairman, I join my chairman in opposing this amendment. It sounds like the gentleman from Texas (Mr. HENSARLING) has some vision of postal reform. Well, I just think that is great, except we cannot pass it.

The alternative to this, as the chairman has pointed out, is going to be the existing system and undesirable increases on rates.

So what is the amendment before us? It is not a different version of reform of the Postal Service. It would micromanage the Postal Service's use of money that is now in an escrow and will tell them they have to use most of that money to prefund health benefits.

Well, we say they must use some of that money for that, but if they shift the money for that purpose, then to run the Postal Service they are going to have to ask for an increase in rates. That is why in amendment would certainly be opposed by all the people who use the Postal Service, the mailers, the enterprises, the businesses in this country that rely on the Postal Service for their success.

Now, the amendment does something else, and I just have to underscore it. As the chairman of the Committee on Government Reform mentioned, it would require the Postal Service to pay for the pensions for those who served in the military before they went to work for the Postal Service. If you were in the military and went to work for any other agency of government, that agency would not be required to pay for your military pension. They might be required to pay for the pension accrued from service in that agency.

Why should the Postal Service have to pay for the military pensions? It does not make sense. And the consequence of it would be that the Postal Service would have to ask for an increase in rates because they have this extra financial burden to pay for military pensions. That is why this amendment is one that I think it to be a poison pill for the legislation.

You could imagine the groups that oppose this legislation like the National Association of Manufacturers and NFIB and others opposing this because they do not want higher rates. I urge opposition to the amendment.

Mr. HENSARLING. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Texas (Mr. HENSARLING) has 3½ minutes remaining.

Mr. HENSARLING. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Tennessee (Mrs. BLACKBURN).

Mrs. BLACKBURN. Mr. Chairman, I want to thank the gentleman from Texas (Mr. HENSARLING) for his work on this amendment and, of course, our chairman of the Committee on Government Reform, who has worked so diligently on this bill and for years has worked to be able to move it to the body.

Mr. Chairman, you know, we are hearing a lot about the military benefits. From my service on the Committee on Government Reform, I think I remember that there was in 2003 $103 billion overpayment in pension benefits that was refunded to the Postal Service, and as a part of that agreement they were made responsible for the military pension costs of the employees. And this bill would reverse those provisions.

I think it is also worthy to notice that the gentleman from Texas (Mr. HENSARLING) has pointed out in 1971 the reform efforts put in place at the Postal Service, it would be a self-financing agency, and with that mandate they were given certain exemptions and advantages such as tax and anti-trust. And they are obliged and obligated to manage their finances in a manner that covers its full costs.

We must continue to encourage the Postal Service to be self-sufficient and not be subsidized by the taxpayer. I urge my colleagues to vote in favor of the amendment.

Mr. TOM DAVIS of California. Mr. Chairman, I yield myself such time as I may consume.

Let me just note for the record that we did agree at that point as a condition of releasing overpayment by the Post Office Department into pension funds that they, for a temporary period of time, fund the military for CSRS retirees. But we awaited studies; and the President's own commission, which has been quoted here, came back and recommended that in point of fact the post office should not be making these payments, that it should to go to the general fund side of the ledger.

Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. MCHUGH).

Mr. MCHUGH. Mr. Chairman, a couple points with respect to the gentlewoman's comments about the 1971 legislation. She is right, but she is also a little behind because that is why we are making changes.

H.R. 22, in fact, applies anti-trust provisions against the Postal Service, overturning the 1971 bill. We require taxes paid on the business computations for the competitive products portion of the Postal Service, again overchanging the 1971 bill. So that is what this is all about. I am glad I had the opportunity to update the gentlewoman's perspective on that.

The other thing I would note is that, again, this would be the only Federal agency treated in this manner, the only Federal agency. And there is really no justification for it. I have heard a great deal about budget scoring, and I cannot speak as to the author of this amendment, but I suspect he along with others including myself, stood in the well of this House many, many times and spoke about the moronic perspective of scoring when it came to tax cuts. We did not want that kind of scoring, the same kind of scoring that is applied here. We wanted dynamic scoring, and if we were dynamically scoring, I think we would be referring to the statistics provided by others including the Envelope Manufacturing Association that says if this amendment were to pass, it would result in the loss of $64 billion in tax revenues from those firms that use the Postal Service for mailing and such that pay sales taxes and others; 245,000 jobs would be impacted just in the first year; and 3.5 million jobs would be impacted over 10 years, all of whom are taxpayers.

So if we are dynamically scoring, as all of us who were so strongly in support of it when it came to the tax cuts, this would not be even an issue.

Let me just state, here is what the Postal Service says about this particular amendment: ''If the Hensarling amendment is adopted, the Postal Service will be in worse financial situation then it occupied before the CSRS overfunding was identified and corrected. If the Hensarling amendment is adopted, the total of these four payments would be $97 billion over the next 10 years.'' That is a tax on the American mailing public, and I think we ought to resist this amendment.

□ 2100

Mr. HENSARLING. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. Mr. Chairman, I rise today to speak in favor of the amendment introduced by my friend, the gentleman from Texas (Mr. HENSARLING), that would encourage fiscal responsibility by the U.S. Postal Service. I, along with others, support the Postal Service that is staffed by thousands of resourceful and hard-working individuals who I believe have the ability, by themselves, to adapt and create a smoothly functioning postal system that can really be a world leader for us all.

I support the Postal Service and the valuable contribution that it provides to our economy, and the common-sense bill before us will move the U.S. Postal Service in the right direction so it will no longer be a drain on the U.S. taxpayer. This amendment will encourage the Postal Service to move forward, to take responsibility for its own liabilities, just as other large corporations have to do.

Recently Fortune Magazine ranked the Postal Service as the 44th largest corporation in the world and looked at the many assets that they have. Unfortunately, the Postal Service has not taken advantage of those assets and its potential. Instead, it has not moved in the direction of other industrialized nations in providing us with a mail system of innovation, financial soundness, and quality of services.

That study also looked at nine different postal services, two private and seven from industrial nations, and in seven out of those nine categories found the U.S. Postal Service ranked last.

I believe that the Hensarling amendment will change that. It will move the Postal Service of this country in the right direction, make it more efficient, and, most importantly, take the burden off the U.S. taxpayer.

For that reason, Mr. Chairman, I encourage my colleagues to support the gentleman from Texas in his amendment.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Michigan (Mrs. MILLER).

Mrs. MILLER of Michigan. Mr. Chairman, I thank the gentleman for yielding me this time, and I certainly appreciate the intentions of my good friend from Texas in his amendment tonight, but this amendment would do absolutely nothing to stop a stamp rate increase for next year. In fact, it seems very clear this amendment would have the opposite impact. In fact, it would trigger large increases in the postal rates.

These rate increases would be caused by denying the Postal Service access to billions of dollars which are set aside in their escrow accounts, because the Postal Service will be forced actually to completely finance the escrow requirement as well as the annual health benefit premium for all of their retirees. This will not stop what we are all trying to stop, and that is a postal rate increase, which is really a tax. I guess you can call it a stamp tax, if you want, on the American people.

This amendment is not fiscally conservative. In fact, if you are an individual who just mails a couple of letters a year, I suppose it does not matter if you have a tax increase, a stamp tax increase, of 1 or 2 cents a letter. However, think if you are a catalogue mailing company or a large user of the Postal Service.

This amendment would also require the Postal Service to spend all of their savings released under H.R. 22 on paying the Postal Service's unfunded health care liability rather than giving the Postal Service some much-needed flexibility to use on other pressing issues.

This underlying bill is based on the premise of making the Postal Service more cost-effective, more cost-efficient, making it run in a more businesslike, user-friendly type of way, and this amendment, I believe, is a step backward. So I urge my colleagues to vote ''no'' on this amendment and also to support the underlying bill, which is a great bipartisan effort and a great bipartisan piece of legislation.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Chairman, the argument for budget-neutral reform reminds me of the teaching of Frederick Douglass when he said that he understood one thing, if he did not understand anything else; and that is that in this world we may not get everything that we pay for, but we most

certainly will pay for everything that we get.

As the Comptroller General has pointed out, respected accounting principles indicate that the burden for payment for service belongs to the beneficiary. The U.S. Government benefited from military service, and it should cover the cost.

To ensure predictable rate increases, H.R. 22 employs strict rate caps at the subclass level, prohibiting rate increases at a rate greater than CPI. These restrictions, however, make it important that the Service have access to the one-third of its own money to help cover operational costs if need be. Otherwise there is no alternative but to accumulate debt.

Mr. Chairman, the Hensarling amendment would have us embedded in debt. I oppose it.

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

Mr. Chairman, 2 years ago the Postal Service was here asking for $7 billion from the taxpayer. They come here tonight asking for $6 billion from the taxpayers. Again, I ask the question: Where will it all end?

If we do not change the way we do business in Washington, we will have to double taxes on future generations just to balance the budget. Somehow, somewhere, some way, someday we must stop the madness of the spending.

I agree with many of my colleagues that there are only two choices: Either ratepayers or taxpayers are going to pick up this tab. I vote for ratepayers.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I urge opposition to this. First of all, the Postal Service is self-operating. What it raises, it spends. The increased money that was added was because of the anthrax issue. It was a national security issue.

This amendment is bad for the economy. We are talking about 8 percent of GDP now having at least a 2 percent increase. In fact, under this amendment, it would not just be a rate increase, this would be basically a rate shock to Americans. It would be far in excess of that.

This hurts Americans' competitiveness, it is bad for the economy, and I urge my colleagues to vote against this amendment.

Mrs. MALONEY. Mr. Chairman, I rise in opposition to the Hensarling amendment.

This amendment would strip critical provisions contained in the underlying bill.

The gentleman's amendment would require the Postal Service to continue to be responsible for the military retirement costs of its employees.

No agency other than the Postal Service is responsible for the military retirement costs that Treasury pays for all other Federal employees.

It is absolutely essential to the long-term survival of the Postal Service to relieve it and postal customers of this $27 billion burden by returning that responsibility to the Treasury.

Additionally, his amendment would mandate that 100 percent, rather than ⅔, of the Civil Service Retirement System savings that resulted from the fix Congress enacted 2 years ago and are currently in an escrow account, must go to the Retiree Health Benefits Fund.

This provision would have the effect of increasing postal rates by preventing the USPS from using these savings to help keep postal rates stable.

If Congress had not fixed this formula, the Postal Service's required share of this Federal government retirement fund would have resulted in a long-term overpayment of more than $70 billion.

These savings were intended to provide the Postal Service with much-needed fiscal relief and a promise of stable postal rates until 2006.

A vote for this amendment would undermine the very reason why this bill is on the Floor today . . . to enact long overdue reforms of the Postal Service.

I urge my colleagues to vote "no."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. HENSARLING).

The amendment was rejected.

The CHAIRMAN. It is now in order to consider amendment No. 4 printed in House Report number 109–184.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 1 offered by the gentleman from Indiana (Mr. PENCE) and amendment No. 2 offered by the gentleman from Arizona (Mr. FLAKE).

The Chair will reduce to 5 minutes the time for the second electronic vote in this series.

AMENDMENT NO. 1 OFFERED BY MR. PENCE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Indiana (Mr. PENCE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 82, noes 345, not voting 6, as follows:

[Roll No. 428]

AYES—82

Aderholt
Akin
Barrett (SC)
Bartlett (MD)
Bass
Beauprez
Blackburn
Blunt
Bonilla
Boustany
Brady (TX)
Burgess
Buyer
Cantor
Carter
Chabot
Chocola
Cole (OK)
Conaway
Cox
Culberson
Deal (GA)
DeLay
Feeney
Flake
Foxx
Franks (AZ)
Garrett (NJ)
Gingrey
Gohmert
Goodlatte
Granger
Hall
Hayes
Hayworth
Hefley
Hensarling
Herger
Hostettler
Hunter
Hyde
Inglis (SC)
Issa
Istook
Jindal
Johnson, Sam
Jones (NC)
King (IA)
Kingston
Kirk
Mack
Marchant
McCaul (TX)
McCrery
McHenry
McMorris
Miller (FL)
Miller, Gary
Musgrave
Myrick
Neugebauer
Norwood
Otter
Paul
Pence
Pitts
Poe
Price (GA)
Rohrabacher
Royce
Ryun (KS)
Sessions
Shadegg
Stearns
Sullivan
Tancredo
Thornberry
Tiahrt
Weldon (FL)
Westmoreland
Whitfield
Wilson (SC)

NOES—345

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrow
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blumenauer
Boehlert
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burton (IN)
Butterfield
Calvert
Camp
Cannon
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Castle
Chandler
Clay
Cleaver
Clyburn
Coble
Conyers
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Fossella
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gilchrest
Gillmor
Gonzalez
Goode
Gordon
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Herseth
Higgins
Hinchey
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCotter
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Northup
Nunes
Nussle
Oberstar
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Platts
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel

Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—6

Cooper
Gibbons
Hinojosa
Miller, George
Obey
Oxley

□ 2128

Messrs. PETERSON of Pennsylvania, UDALL of Colorado, STUPAK, RAMSTAD, Ms. HARMAN, Ms. CARSON, Mrs. NORTHUP, and Ms. HART changed their vote from ''aye'' to ''no.''

Mr. MACK and Mr. KIRK changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. HINOJOSA. Mr. Speaker, on rollcall No. 428, had I been present, I would have voted "no."

AMENDMENT NO. 2 OFFERED BY MR. FLAKE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Arizona (Mr. FLAKE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 51, noes 379, not voting 3, as follows:

[Roll No. 429]

AYES—51

Akin
Barrett (SC)
Bartlett (MD)
Blackburn
Brady (TX)
Buyer
Carter
Chocola
Conaway
Cox
Culberson
Duncan
Feeney
Flake
Foxx
Franks (AZ)
Garrett (NJ)
Gingrey
Harris
Hayworth
Hensarling
Inglis (SC)
Jindal
Johnson, Sam
King (IA)
Kingston
Kolbe
Linder
Lungren, Daniel E.
Mack
McCaul (TX)
McHenry
McMorris
Mica
Miller (FL)
Musgrave
Myrick
Neugebauer
Otter
Paul
Pence
Poe
Rohrabacher
Royce
Sessions
Shadegg
Stearns
Sullivan
Tancredo
Weldon (FL)
Wilson (SC)

NOES—379

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrow
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Castle
Chabot
Chandler
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conyers
Cooper
Costa
Costello
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Fossella
Frank (MA)
Frelinghuysen
Gallegly
Gerlach
Gilchrest
Gillmor
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (NY)
Kirk
Kline
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lynch
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Michaud
Millender-McDonald
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Nadler
Napolitano
Neal (MA)
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Strickland
Stupak
Sweeney
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—3

Gibbons
Miller, George
Oxley

□ 2136

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that 2 minutes remain in this vote.

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. BASS) having assumed the chair, Mr. SIMPSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 22) to reform the postal laws of the United States, pursuant to House Resolution 380, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on 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. TOM DAVIS of Virginia. 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 suspend the rules and pass H.R. 3339.

The vote was taken by electronic device, and there were—ayes 410, noes 20, not voting 3, as follows:

[Roll No. 430]

AYES—410

Abercrombie
Ackerman
Aderholt
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cox
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fitzpatrick (PA)
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kucinich
Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Murtha
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (PA)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—20

Akin
Barrett (SC)
Chocola
Culberson
Davis, Jo Ann
Feeney
Flake
Franks (AZ)
Gohmert
Hensarling
Istook
Johnson, Sam
Musgrave
Nussle
Otter
Paul
Pence
Royce
Shadegg
Weldon (FL)

NOT VOTING—3

Gibbons
Miller, George
Oxley

□ 2154

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WISHING THE HON. DAN BOREN AND HIS BRIDE WELL ON THE OCCASION OF THEIR MARRIAGE

(Mr. HOYER asked and was given permission to speak out of order for 1 minute.)

Mr. HOYER. Mr. Speaker, we talk a lot about families on this floor, and properly so. We talk a lot about caring on this floor, and properly so. We talk a lot about relationships on this floor, and properly so.

And I am proud to rise today to say how pleased I am, and I know all Members of the House will be, the youngest Member on our side of the aisle is the gentleman from Oklahoma (Mr. BOREN), and the gentleman from Oklahoma (Mr. BOREN) this weekend took to himself a beautiful bride from South Dakota, Andrea.

Let us wish them well as they embark upon this new family.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BASS). Without objection, the next vote will be a 5-minute vote.

There was no objection.

JAMES T. MOLLOY POST OFFICE BUILDING

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 3339.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ISSA) that the House suspend the rules and pass the bill, H.R. 3339, 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 423, nays 0, not voting 10, as follows:

[Roll No. 431]

YEAS—423

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Becerra
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Carter
Case
Castle
Chabot
Chandler
Chocola
Clay
Cleaver
Clyburn
Coble
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Cox
Cramer
Crenshaw
Crowley
Cubin
Cuellar
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Feeney
Ferguson
Filner
Fitzpatrick (PA)
Flake
Foley
Forbes
Ford
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Green, Al
Green, Gene
Grijalva
Gutierrez
Gutknecht

Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Herseth
Higgins
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Holt
Honda
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inglis (SC)
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
King (IA)
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Kuhl (NY)
LaHood
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Maloney
Manzullo
Marchant
Markey
Matheson
Matsui
McCarthy
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McKinney
McMorris
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pombo
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sanders
Saxton
Schakowsky
Schiff
Schwartz (PA)
Schwarz (MI)
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Sodrel
Solis
Souder
Spratt
Stark
Stearns
Strickland
Stupak
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walden (OR)
Walsh
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—10

Davis (FL)
Gibbons
Hefley
Lewis (CA)
Marshall
Miller, George
Murtha
Oxley
Radanovich
Wexler

□ 2204

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5, HELP EFFICIENT, ACCESSIBLE, LOW-COST, TIMELY HEALTHCARE (HEALTH) ACT OF 2005

Mr. PUTNAM, from the Committee on Rules, submitted a privileged report (Rept. No. 109–185) on the resolution (H. Res. 385) providing for consideration of the bill (H.R. 5) to improve patient access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the health care delivery system, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3045, DOMINICAN REPUBLIC-CENTRAL AMERICA-UNITED STATES FREE TRADE AGREEMENT IMPLEMENTATION ACT

Mr. PUTNAM, from the Committee on Rules, submitted a privileged report (Rept. No. 109–186) on the resolution (H. Res. 386) providing for consideration of the bill (H.R. 3045) to implement the Dominican Republic-Central America-United States Free Trade Agreement, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3283, UNITED STATES TRADE RIGHTS ENFORCEMENT ACT

Mr. PUTNAM, from the Committee on Rules, submitted a privileged report (Rept. No. 109–187) on the resolution (H. Res. 387) providing for consideration of the bill (H.R. 3283) to enhance resources to enforce United States trade rights, which was referred to the House Calendar and ordered to be printed.

STRONGLY SUPPORTING CAFTA

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

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of the CAFTA agreement. Goods come from CAFTA countries into America absolutely duty free. Whether they are industrial, whether they are agricultural, no matter what goods they are, they come in duty free.

Our goods, when they go to their markets, suffer from the weight of heavy duties. So all this agreement does is drop the duties on our goods, drop the tariffs on American goods flowing into these markets.

It is a win for America on every single front. It is the status quo for the Central American nations. Why would they agree to it? Because it makes it permanent and because there are some two-way partnerships in this bill that are an advantage to these Central American nations, and to us.

We will be defeated by China in textiles if we do not modernize the partnership between the American yarn makers and the Central American textile companies.

As to the labor agreements, the labor portions of this agreement, I have gone into those in great detail over and over again. We have the best labor agreements we have ever had in any Free Trade Agreement, and the Democrats in this House have voted for those agreements overwhelmingly. It is a double standard, it is artificial, and it is unfair to vote against this agreement.

GOOD, BIG REASONS TO DEFEAT CAFTA

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

Mr. BROWN of Ohio. Mr. Speaker, the Congressional Budget Office, the nonpartisan arm of Congress that provides economic projections, just released a report on the Central American Free Trade Agreement. The report shows the cost of its sugar provisions would be over $500 million over the next 10 years. They also found the loss in revenue to the U.S. Treasury would be $4.4 billion over the next 10 years, more than $400 million every year.

So not only does CAFTA jump up a trade deficit that has gone from $38 billion 12 years ago to $618 billion last year, but CAFTA continues this erosion, the hemorrhaging of manufacturing jobs: 3 million lost manufacturing jobs in the last 5 years. And it is also going to blow an even bigger hole in the Federal budget: one more good, big reason to defeat the Central American Free Trade Agreement.

CAFTA IS GOOD FOR AMERICAN BUSINESS

(Ms. HART asked and was given permission to address the House for 1 minute.)

Ms. HART. Mr. Speaker, I rise in support of the Dominican Republic-CAFTA agreement.

Our colleagues have discussed a lot of issues regarding CAFTA: whether it is important to our national security and whether it will help those countries to grow and become more secure and prevent some illegal immigration into the United States. But one of the most important things about this agreement is that it is good for American business.

I do not know about my colleagues, but I am for agreements that help our manufacturers, and what I have discovered is that the manufacturers in my

district will benefit from this agreement. In fact, a significant portion of them either currently export or want to export to those countries. But currently, there are heavy tariffs placed on their products when they arrive in Central America, making those products more expensive to the purchasers there. This agreement will remove those tariffs and make American products more available to those who wish to purchase them in Central America.

Now, my question is, how can that be bad for American business? It is not. It is good for American business, and anybody who is thinking about growth in our economy should support the CAFTA agreement.

ON THE ANNIVERSARY OF THE AMERICANS WITH DISABILITIES ACT

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

Mr. FARR. Mr. Speaker, there can be no worse public act than a government that refuses to acknowledge the humanity of its citizens.

Throughout history, the United States has struggled to rise above the divisions among its people and, instead, fuse its people into a single, unified citizenry.

Whether it was the struggle over civil rights for persons of color, the fight for women's rights or, most recently, the battle for access by persons with disabilities, the United States has risen above our differences and embraced them as worthy of a society that sees itself as open, free, and inclusive.

The fight by persons with disabilities for nondiscrimination in matters of employment, transportation and building access, and accommodation, was landmark.

Through the enactment of the ADA, our country removed the cloak of secrecy wrapped around our disabled citizens and announced to the world that persons with disabilities were valued members of our society.

So, today, as we celebrate the 15th anniversary of the Americans With Disabilities Act, I rise to honor ever person, disabled or not, who worked so hard to see this law enacted. These persons and their effort are a testament to the spirit of fairness, the spirit of perseverance, and the spirit of hope that inspires us all.

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The fight by persons with disabilities for non-discrimination in matters of employment, transportation and building access and accommodation was landmark.

Through the enactment of the ADA our country proclaimed that 43 million Americans were real people, deserving of amenities everyone else took for granted.

Through the enactment of the ADA our country removed the cloak of secrecy wrapped around our disabled citizens and announced to the world that persons with disabilities were valued members of our society.

The successes of ADA continue to astonish us, even 15 years later: the disabled child who now can play Little League ball; disabled veterans who can now use special equipment to play golf at military golf courses; disabled patrons who can now go to movie theaters, restaurants, and museums who before found the trip daunting, or were blocked entirely. Now we have buses that kneel for our disabled riders, earphones for opera lovers who just don't hear well enough, and talking elevators that tell blind passengers their floor stop.

All of this may have been mandated by the ADA but just as consequential is that it was American ingenuity that developed it. We figured it out. We set a goal to integrate persons with disabilities into mainstream America, and by gosh, we did.

Unfortunately, even with the ADA in place, the road to full accommodation has been pitted with potholes and rough spots. As it was with civil rights, or women's rights, the full recognition of disability rights falls short in many regards. As a Nation we need to recommit ourselves to these lofty laws; it is the right thing to do. There are still too many instances of persons with disabilities being excluded from public venue because they are different. That is just wrong and it is un-American. In the land of freedom, established so every man and woman could pursue their dreams, these incidents are blots against our national value of equality.

So today while we celebrate the 15th anniversary of the Americans with Disabilities Act, I rise to honor every person—disabled and not—who worked so hard to see this law enacted. These persons and their effort are testament to the spirit of fairness, the spirit of perseverance and the spirit of hope that inspires us all.

EXPRESSING SYMPATHY TO THE BOY SCOUTS OF AMERICA FAMILY

(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, a day or two ago, I rose on the floor of the House to welcome the Boy Scouts of America to their jamboree that they hold every 4 years.

As a member of the Board of Directors of the Sam Houston Area Boy Scouts in my hometown of Houston, Texas, Houston-Galveston Council, I rise today to offer my deepest sympathy to the Boy Scouts of America family due to the loss of four scout leaders who died in an electrical accident in Virginia during the course of putting up some of the equipment for the young men who were about to participate in the jamboree right after their noontime service.

I know that the Boy Scouts are, in fact, a family. This is an enormous tragedy. Just as their scout oath reminds them of their commitment to their country and their God and the honor that they have, I know that they will draw together as a family and be united in their empathy and sympathy with the family members of their lost scout leaders.

I wish for them the very best as they continue their jamboree, and my greatest sympathy to those who lost their lives. As well, I know that the Boy Scouts will continue to serve in their communities around the Nation and continue to serve America, for they are young outstanding leaders that have come here to the United States Capital to begin to learn and recommit themselves to their values and to service.

□ 2215

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PRICE of Georgia). Under the Speaker's announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

ON THE RETIREMENT OF GEORGE CRAWFORD

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. PELOSI) is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, I rise this evening to pay tribute to really a great person, a great leader, a truly decent man, and a dear friend on his retirement after nearly a quarter century of service to the House of Representatives, Mr. George Crawford.

George is a master of policy, politics and procedures of this institution, and he must be one of the kindest people working on Capitol Hill. George has been invaluable to my office as the chief of staff of the leader's office and of this Congress.

George began his distinguished career on the staff of the then Senator Howell Heflin of Alabama. He soon moved to the staff of the great Claude Pepper of Florida, who was chair of the Rules Committee, but, Mr. Speaker, in those days we still called him Senator Pepper.

And George worked with him and quickly revealed his remarkable talents. Again he went with Senator Pepper to the Rules Committee while Senator Pepper was chairman and worked his way up to staff director under the magnificent chairman, Joe Moakley of Massachusetts, who was a colleague to many of us who serve here today.

Today, having traveled a long and impressive arc, he retires as the chief of staff of the Democratic leader's office. I was privileged that George came to work for me nearly 4 years ago,

shortly before I was elected House Democratic whip. George helped to take our staff to the next level, shaping and leading our office.

George loves sports analogies, so let me say that first in the whip's office and then in the leader's office, George recruited the best talent, ran creative plays and always knew how to put points on the board.

In the Democratic leader's office, George has been an innovative leader. He established a structure for reaching out beyond the Beltway; he built the strongest, most innovative Internet operation on the Hill; he has rolled up his sleeves with the policy staff; and he has helped shape our message to the American people. He is a gifted leader who gives staff guidance, but also room to grow. Young people in particular enjoyed working with him. He is both father figure and friend.

Throughout his career, George has largely worked behind the scenes. He is interested in accomplishments, not credit. He is strictly a shirt-and-tie kind of man, except when he is caught escaping to the golf course. And George has a comprehensive understanding of the rules of the House, and a keen sense of the Members. He has tutored so many Members, including me, on the intricacies of parliamentary procedure. He has earned the respect of Members and staff on both sides of the aisle.

For someone who seems to know everything about the House of Representatives, George is a remarkably well-rounded person. He has a wonderful family. He is a loyal Dodgers fan. He loves golf, and he is a maestro with orchids. He is a connoisseur of wines and an expert on vineyards.

Before his career on Capitol Hill, George held an assortment of jobs that reflect his unique spirit, including working as a baker, a short-order cook and a railroad brakeman.

Above all, though, George was and is a Californian at heart. That is why this goodbye is bittersweet for me; bitter because I will miss his unparalleled knowledge as well as his warmth and good humor, sweet because I know he will relish his return to the great Golden State of California. As a Californian for more than 36 years, I completely understand and share his desire to live in this country's most beautiful and most invigorating State.

George and his family, his wife Mel and his two sons, will be moving to the area of Santa Barbara not far from where the movie Sideways, a love letter to wine, was filmed, where he can enjoy the reds and the whites and get back to his golf game that I understand has suffered in recent years due to lack of attention.

He will always spend well-deserved time with his family. Again, I want to take the opportunity to thank George's wonderful wife Mel and his fine two sons, Curt and Casey, for sharing their father with us. It is hard to balance family life with work on Capitol Hill. We all appreciate the sacrifices that the Crawford family has made.

I know that so many colleagues on both sides of the aisle join me in wishing George luck in the next phase of his career, and many happy years with his beloved family in California.

With deep gratitude, respect, and affection, thank you, George, George Crawford, for your 24 years of service to the House of Representatives.

CAFTA IS NOT GOOD FOR THE UNITED STATES

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

Mr. JONES of North Carolina. Mr. Speaker, I am back on the floor tonight to speak in opposition to CAFTA.

First I want to talk about my State of North Carolina. Of course I was not here in the Congress when the Congress passed NAFTA about 1992, and it was in effect in 1993. But let me tell you briefly what happened to North Carolina. First of all, we lost approximately 200,000 jobs in about a 10- to 12-year period of time. We also as a Nation lost about 2.5 million jobs.

CAFTA is the ugly cousin of NAFTA. That is all you can say about it. NAFTA and CAFTA are cousins, and actually CAFTA is about 85 percent of what NAFTA is. So therefore, I hate to say it, but CAFTA is the ugly cousin.

Let me also say that during that period of time, that prior to NAFTA, we had a surplus with Mexico, and now we have a deficit with Mexico. So now let me also share with you, Mr. Speaker, that prior to NAFTA, and then since NAFTA, we have had a 350 percent increase of illegal aliens coming to America since NAFTA became the law of the land. It did nothing to keep the Mexican workers down in Mexico.

Mr. Speaker, tonight I want to take just a few minutes of my time, I know it is very limited, to tell you that last night on the floor of the House, I submitted completely for the RECORD, from the countries of Nicaragua, El Salvador, Honduras and Guatemala, elected officials of those countries asked me last week at the interfaith conference of Protestants, Catholics, and a Jewish rabbi who are opposed to CAFTA to submit this, and I was glad to do it, so I submitted this for the RECORD in its entirety, but tonight for the last 2 or 3 minutes of my time, I want to read just certain points of what those people in the Central American countries are saying.

We know what it is doing to American workers, which is not good for the American workers, but let me share this with you very quickly. First of all, these are some points they made in this letter. These are elected officials from these Central Americans countries that said no to CAFTA.

First of all, let me read this: CAFTA will only lead to more social instability in the region as more medium and small farmers will lose their livelihoods and become part of the poor population numbers. CAFTA will only lead to more migration to the United States as more people are unable to make a living working in the rural areas and the job perspectives in the cities do not improve.

The 20 million people who are currently poor and those that will be further displaced will turn to immigration to the United States as the only solution to their economic problems.

Again, this is from the elected leaders of these countries that have asked me to submit this, and they have written every Member of Congress; not just me, but everyone else.

Two or three other points very quickly. These seven elected officials as legislative representatives of the region, who represent a diverse perspective of political views, we respectfully ask you to vote no on CAFTA. In addition, they say that the opposition keeps growing all throughout the region, because this treaty threatens to weaken the already vulnerable democratic institutions that were created during the long conflicts of the 1980s.

In addition, Mr. Speaker, and then I will close, CAFTA is a bad trade deal because it puts the interests of international corporations ahead of the welfare of the working poor and the poor in Central America. If CAFTA is approved, this social instability that CAFTA supporters like to use as a reason for approving this agreement will come not from the outside forces, but from the pressures created by the millions of displaced workers who will fall further into poverty.

Mr. Speaker, I must say tonight in closing that we in this Congress should do what is right for the American people, and that is to defeat CAFTA and go back to the negotiating table and do what is right for the American workers and do what is right for the people in Central America, and then we will do what the Bible says, and that is to help each and every one that needs to be helped.

God bless America. Thank you.

CAFTA IS BAD FOR AMERICA

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

Mr. DEFAZIO. Mr. Speaker, if one was to look at this chart, and the black bars represent the extraordinary growth in the United States trade deficit over the last 14 years, and you see you are digging yourself a hole for the American people, for the future of the American economy, of over $600 billion in 1 year. This year we are going to eclipse that. We are headed toward $2 billion a day of foreign borrowing.

Now, most people say, well, Alan Greenspan says that is great. They are willing to lend us money. Shows how strong our economy is. But what Alan Greenspan and the other pointy-headed

hack economists around here forget is that those are real dollars which can come back to bite us, and they are coming back to bite us when you have a Chinese Communist-controlled oil company trying to buy a major American oil company with substantial reserves around the world. For a country that is importing 20 million barrels a day of energy, we want to be selling off our oil assets, our reserves around the world to the Chinese Communist Government? I do not think so. But they think this is just working great.

The point is we have a failed and failing trade policy here in the United States of America. We lost 3 million manufacturing jobs, good high-wage, high-benefit jobs, through NAFTA, and the WTO and permanent most favored nation status for China. Those have cost the American people dearly. Millions of Americans have lost good jobs.

And the trend is accelerating. We are losing our manufacturing base. And the question becomes with CAFTA before the United States House of Representatives, do we think that these big black lines, these huge deficits, this borrowing, this putting America up for sale and in hock is a good trend? Yeah, it is a good trend for a few people, a lot of friends of the President. They are making a bunch of money. They own the stock. They run the multinational corporations. They are getting tens of millions of dollars, hundreds of millions of dollars sometimes, in stock options because of selling off our country.

Yeah, it is good for a few people, but it is bad for the majority of the American people. It is bad for the workers. It is bad for our future. It is bad for our economic security, our military security, if you look at some of the recent trends dealing with China.

So the question becomes should the United States House of Representatives, should those who are undecided now, particularly on the other side of the aisle, get pressured by the President to do something that they know is wrong and is against the interests of the people they represent?

This is not a partisan issue. You know, Bill Clinton was a disaster on trade policy. The problem is you cannot find much difference between Ronald Reagan, Bush the first, Bill Clinton and Bush the second on trade policy. They are a bipartisan disaster, selling out the American people, selling out our industrial infrastructure.

And people say, well, CAFTA is really not that big, so why are you so concerned about it? Well, you are right. It is not very big. If you combine the buying power of all of the people of the CAFTA nations and say somehow this is going to create jobs in America, well, whew, you need to have your head examined, because if all of those people living in those countries applied every cent they earned, whatever currency it is, to purchasing American goods, it would not be a tiny blip on the radar screen of the American economy.

This is the same people who sold us NAFTA, and they said it was going to produce 400,000 jobs. Instead it lost 800,000 jobs. They were only off by 1.2 million jobs in their estimates.

Now the President goes on television this week and says, oh, this will be good for the American people. This is going to create exports. What he forgot to tell them was his own experts say it will create more imports from Central America than exports. It is going to be yet another loser for the American people. They will see their jobs go south.

American workers should not be asked to compete with people earning 80 cents an hour, and guess what, people who earn 80 cents an hour are not going to be buying a lot of manufactured American goods.

□ 2230

So now CAFTA is the same disaster that was NAFTA, that is the WTO, and MFN for China. It is just saying, we have dug ourselves a deep hole. Here is a shovel; keep digging. Pretty soon you may come out in the other end in China, but by then they will own us.

So it is time for this Congress to stand up to this President, the same way they should have stood up to Bill Clinton or to Bush the First or to Reagan. We want a trade policy that benefits the American people, our national security, our economic security and brings and keeps jobs that pay decent wages and benefits home here.

Vote ''no'' on CAFTA.

CAFTA—PROPERTY RIGHTS

The SPEAKER pro tempore (Mr. PRICE of Georgia). Under a previous order of the House, the gentleman from Idaho (Mr. OTTER) is recognized for 5 minutes.

Mr. OTTER. Mr. Speaker, I rise today to discuss perhaps the most fundamental of the reasons for my opposition to the Central American Free Trade Agreement or CAFTA—the serious conflicts it raises with private property rights guaranteed by the Constitution of the United States.

I'd like to draw your attention to the fact that CAFTA contains 1,000 pages of international law establishing, among other things, property rights for foreign investors that may impose restrictions on U.S. land-use policy. Chapter 10 of CAFTA outlines a system under which foreign investors operating in the United States are granted greater property rights than U.S. law provides for our own citizens!

Mr. Speaker, that's not encouraging free trade. That's giving away our natural resources and our national sovereignty. CAFTA would empower foreign investors to go to UN and World Bank tribunals to challenge state and federal policies here in the United States regarding property rights that violate their assumed ''investor rights.'' Those foreign investors then could demand compensation in the form of U.S. taxpayer dollars for the losses caused by complying with the same domestic policies and regulations that apply to all U.S. citizens and businesses.

The standards for property rights protection that are used by the UN and World Bank to award U.S. taxpayer dollars to foreign investors would NOT be those of the U.S. Constitution, but rather international property rights standards set forth in CAFTA, as interpreted by an international tribunal. And I'm not the only one upset about this. No less than the Conference of State Supreme Court Chief Justices is among those concluding that CAFTA provides greater property rights to foreign investors than U.S. law provides you and me as U.S. citizens!

Furthermore, current rules under Trade Promotion Authority granted by Congress require that trade pacts grant to foreign investors ''no greater substantive rights with respect to investment protections than U.S. investors in the United States.'' Yet even a cursory review reveals that CAFTA fails the test on both counts. Although some words included in NAFTA's investor protection system were changed in CAFTA, the changes were simply procedural and not substantive.

Instead of basing foreign investors' property rights on U.S. law, as Congress requires, CAFTA provides foreign investors in the United States with a ''minimum standard of treatment'' set forth by ''customary international law'' and established in ''principle legal systems of the world.'' The effect is to throw U.S. sovereignty and property rights out the window in the name of ''free trade.'' CAFTA exceeds U.S. law by empowering foreign investors to go to international tribunals in an effort to be compensated in U.S. taxpayer dollars for regulatory takings.

Furthermore, new language in CAFTA almost unbelievably extends the outrageous benefits of this foreign investor-state dispute resolution system to corporations that have a ''written agreement'' with the federal government regarding ''natural resources or other assets that a national authority controls.'' For example, foreign investors could circumvent the U.S. court system entirely by bringing arbitrary challenges over oil and gas, mining, and water contracts to an international tribunal. If a foreign investor is granted a land concession for logging and, as a condition of the contract, is told that the trees must be replanted, the foreign investor can challenge the requirement to replant as an infringement on their ''foreign investor rights'' and ''minimum standard of treatment'' through UN and World Bank tribunals. The U.S. logging company down the street can only go through U.S. courts and has no such special rights.

The very notion that international tribunals should get a say in how we manage U.S. property rights and grant concessions on U.S. land is simply unacceptable. Opening new markets between Central America and the United States is one thing. Asking me to cede decisions over U.S. natural resources and property rights to international tribunals while giving foreigners greater rights to our land than our own citizens have is something else entirely. I won't accept it, and neither should you.

EXCHANGE OF SPECIAL ORDER TIME

Mr. POE. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Idaho (Mr. OTTER).

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

There was no objection.

SANCTUARY HIDEOUTS

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

Mr. POE. Mr. Speaker, in the early morning hours of May 14, 2005, two Denver police officers were working security at a restaurant when Raul Garcia Gomez cowardly shot them both in the back and fled into the darkness of the night. Detective Donald Young was killed. Detective John Bishop was also shot in the back, but he survived. Gomez snuck out of Denver and the United States and sought safety in his country of Mexico to prevent being prosecuted for first degree murder and attempted murder.

Without dealing with the issue of Mexico's reluctance to extradite their citizens who have committed murder in the United States, Gomez had already been given a get-out-of-jail-free card in Denver because of absurd policies called ''sanctuary laws.'' In Denver, Gomez had been stopped previously three times by local police for traffic offenses. Each time he presented a Mexican driver's license. Each time he had no proof of insurance, and each time he was released even though he was here illegally.

Had he been an American citizen, the fact that he had no insurance for the third time would have resulted in him being arrested and hauled off to jail. We seem to discriminate against American citizens for the benefit of illegal aliens. Anyway, the reason Gomez was released instead of deported: sanctuary laws.

They are laws that stop police from arresting and detaining illegals that are here in the United States. Therefore, law enforcement officials cannot do anything to a person they discover is illegally here in the country other than let them loose back in society.

In fact, some cities prohibit police from even inquiring into a person's legal status in the United States. So-called sanctuary laws prohibit officers from ''initiating police action where the objective is to discover the alien status of the person.''

It would seem to me, and common sense would dictate, that police should know who is in the United States illegally. Have these cities not heard of the war on terror?

This order was created in Los Angeles and has been adopted in the major cities in the United States. In these cities, if an illegal immigrant is caught for a minor violation, police cannot detain this individual for immigration violations despite the fact these people are committing a Federal offense by their presence in our country. This hands-off policy is absurd and these cities protect people who are illegally in the United States.

Unfortunately, because of lack of enforcement of immigration laws, these sanctuaries and safe havens in the United States are growing. Some U.S. cities have actually implemented policies that provide and require these safe havens for illegal people.

Mr. Speaker, in these selected hideouts, immigration laws are not enforced. These cities do not require and even some prohibit employers from reporting the illegal status to Federal officials. Creating these secret hideouts encourages illegal immigration, and Americans pay the price. Americans always pay.

Officials in Houston, Texas, recently have implemented policies restricting coordination with local police and Federal authorities regarding immigration laws. And even recently the Governor of Maine has announced an executive order forbids the State from enforcing Federal immigration laws.

Mr. Speaker, this is a serious problem and the cities that have adopted these sanctuary hideouts undermine the security of this Nation, encourage illegal immigration and promote lawlessness. All of this at the expense of Americans.

However, some cities faced with the cost of free social services to illegals have a different approach. The latest is Police Chief Garrett Chamberlain of New Ipswich, New Hampshire. He is charging illegals with criminal trespassing and arresting them. After all, they are trespassing on American soil. Part of the problem is there are too few Immigration and Custom Enforcement agents within the interior of the United States. There are less than 2,000 people enforcing the immigration laws of people who are illegally in the United States and in the interior.

Mr. Speaker, there are more than 800,000 law enforcement officials in the United States. They take a pledge to protect and serve every day, and they are tasked with the important job of keeping our communities safe from those outlaws who terrorize the streets. They watch out for our country, our kids, our families, and our great land. Novel idea, let these 800,000 officers help capture illegals that come across each day while they are on the police beat. They should be allies with the Federal Government and assist the Federal Government in efforts to protect our country from illegal immigrants that violate our law and disrespect the borders.

Police help is essential to homeland security. Local law enforcement, those first responders are the ones that encounter illegal aliens once they have snuck into our country. These sanctuary hideouts are not the answer. There should be no sanctuary for those who violate the law.

By the way, Detective Donald Young when he was murdered was shot three times in the back and in the head. He was married with two young daughters. He was 44 years of age. Detective John Bishop, shot in the back as well, only survived because of his bullet-proof vest. If the defendant had been deported upon his arrest and not given sanctuary, these officers would not have been shot. Mr. Speaker, this ought not to be.

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

(Mr. WYNN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Maryland (Mr. WYNN).

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

There was no objection.

RENEGOTIATE CAFTA

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

Mr. BROWN of Ohio. Mr. Speaker, House leadership promised to bring the Central American Free Trade Agreement to the floor this week for a vote. They have said, Congress will stay here over the weekend until it is done.

The President has said that defeat on CAFTA ''is not an option.'' ''The cookie jar is open.'' One senior CAFTA supporter, a Member of the House, went so far as to say that CAFTA will pass Congress because they will ''twist arms until they break into a thousand pieces.''

CAFTA supporters have resorted to toothless ideals and strong-arm tactics because they know this agreement simply cannot pass on its merits. CAFTA has languished in Congress for more than a year. Four other trade agreements in the last couple of years passed Congress within 60 days. This CAFTA, this trade agreement has languished in Congress for almost 14 months.

The reason is this trade agreement, this CAFTA, it was crafted by and negotiated by a select few, mostly the oil industry, the insurance industry, and the pharmaceutical industry, was crafted by a select few for a selected few, and that is why this agreement offends so many.

Today on the lawn of the Capitol, I joined 22 House Republicans and Democrats and more than 350 people representing family farmers and ranchers, environmentalists and workers, food safety advocates and small manufacturers, all kinds of human rights organizations, religious leaders, faith-based groups, and others, all of us in concert speaking out against the Central American Free Trade Agreement.

On the one hand, those supporting CAFTA, we have a very thorough group of special interests, again, the drug industry, the insurance industry, some of America's largest corporations. On the other hand, you have this wide array of people today representing dozens and dozens of organizations of both political parties across the political spectrum.

Since April 21, more than 1,000 people have attended Capitol Hill news conferences asking the President to renegotiate this failed agreement. Democrats and Republicans, legislators from Central America, along with grassroots organizations representing workers and farmers and religious organizations in all seven countries, in the United States and in the Dominican Republic and in five countries in Central America. Those same voices delivered a common unified message: renegotiate the Central American Free Trade Agreement.

Why do they oppose this? The gentleman from Oregon (Mr. DEFAZIO) showed this chart earlier. One of the reasons we oppose this agreement is our trade policy is not working. A dozen years ago I first ran in Congress in 1992, 13 years ago. We had a trade deficit in this country of $38 billion. Last year, just a dozen years later, that $38 billion had exploded into $618 billion. Clearly our trade policy is not working.

But make no mistake. Those of us opposed to this CAFTA do want trade with Central America, but we want an agreement that represents us all, not a select few. We want an agreement that deserves to pass Congress based on its merits, not based on arm twisting, not based on middle-of-the-night votes, not based on sleazy deals, not based on, as some cases we have seen on this floor, out and out bribery.

We want an agreement that promotes small business, family farmers, that promotes ranchers and workers, that promotes food safety and the environment and people of faith in all six CAFTA countries and in our country.

We want an agreement that stands in line with our faith and our values and promotes the principles of social and economic justice. This CAFTA will not do that.

The people supporting CAFTA, they love to make promises that with CAFTA jobs in the U.S. will increase. We will export more to the developing world and the standard of living in these poor countries will go up. They promised that every time there is a trade agreement. They never come true.

Here, really, is fundamentally the reason that we know, that American manufacturers know, that American small business knows, that American farmers know that we will not be exporting products to Central American countries. The average wage in the United States is $38,000. The average wage in El Salvador annually is $4,800; $2,600, Honduras; $2,300, Nicaragua.

The combined economic output of these Central American countries is about the same as that of Columbus, Ohio. They simply cannot afford to buy our products. This agreement will not allow workers in Central America to buy cars made in Dayton or Cincinnati or Toledo or Cleveland, Ohio. This agreement will not allow workers in Honduras to buy prime beef from Nebraska. It will not allow workers from Guatemala to buy software made in Seattle.

Mr. Speaker, this agreement is about U.S. companies moving plants to Honduras, outsourcing jobs to El Salvador, and exploiting cheap labor. Renegotiate this CAFTA and produce a better Central American Free Trade Agreement.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

(Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

EXCHANGE OF SPECIAL ORDER TIME

Ms. FOXX. Mr. Speaker, I ask unanimous consent to claim the time of the gentlewoman from Florida (Ms. ROS-LEHTINEN.)

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

There was no objection.

OUT-OF-TOUCH DEMOCRATS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina (Ms. FOXX) is recognized for 5 minutes.

Ms. FOXX. Mr. Speaker, I rise today to bring attention to a topic that I have discussed in this Chamber several times in recent months. As we enter the dog days of summer here in Washington, D.C. and the temperature continues to rise, so too does the rhetoric we hear from the other side of the aisle.

Democrats continue to say Republicans are out of the mainstream. However, from where I stand, I see nothing but hollow allegations and a complete lack of any legislative agenda for the American people from the other party. Meanwhile, Republicans continue to pursue a commonsense solutionist agenda that addresses important issues like securing our homeland, supporting our troops, growing the economy, and looking out for families and small businesses.

Mr. Speaker, I want to take a minute to read a quote from the minority leader, the gentlewoman from California (Ms. PELOSI), from a recent press conference she held: ''It is important for us to take down their numbers, to take down their numbers on Social Security, to take down their numbers on credibility. That was very important. If you are the challenger, you are not going to go up against the leader in full strength. You have to take them down first and then you move out in a positive way.''

This quote has troubled me greatly over the past week. I strongly disagree with this type of leadership.

While Republicans remain committed to moving forward with a positive, commonsense agenda, Democrats continue to rely on obstruction and partisan rhetoric. Republicans are concentrating on progress, and our results are hard to argue with. New jobs figures show that 146,000 new jobs were created in June. The economy has created over 3.7 million jobs since May 2003, and we have seen steady job gains for each of the last 25 months.

There are more Americans working than ever before. The unemployment rate fell to 5 percent in June, the lowest it has been since September 2001. The energy bill passed by Congress will create nearly half a million new jobs in the manufacturing, construction, agriculture and technology sectors by reducing our dependence on foreign oil while exploring different sources of renewable fuels and nuclear energy.

This legislation will also help eventually lower the cost of gasoline, a drag on profits that is hitting small businesses hard. Republicans have been working diligently on behalf of small businesses. According to a small business survey, over 80 percent of small businesses spend an average of $25,000 annually on attorney consultant fees and life insurance premiums in an attempt to avoid the crushing blow of the death tax. We are working to repeal the death tax because we feel this money could do more if it remains in the hands of business owners and not in the hands of the government.

In addition, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005 that President Bush signed into law will reduce the number of abusive and frivolous bankruptcy filings that have hurt the economy and small businesses by raising the cost of credit.

Republicans are improving our Nation's transportation and infrastructure. House Republicans passed the highway bill which will fund our Federal highways and help increase the quality of our transportation and infrastructure. This will allow small businesses to move products more efficiently and economists estimate that for every $1 billion spent to improve our highways, 40,000 new jobs will be created.

House Republicans are working to facilitate job training for American workers. Hundreds of thousands of new jobs are being created under our watch, and we are dedicated to providing adequate job training for all Americans who seek it. The Job Training Improvement Act will break down barriers for millions of job seekers by streamlining bureaucracy and making sure more time is spent training for the jobs of the 21st century.

□ 2245

In addition, the Vocational and Technical Education for the Future Act will strengthen and improve the framework of current vocational and technical education programs, add new accountability measures, focus on academic achievement, and streamline Federal

funding to help States and local communities make the most of Federal resources.

Republicans are also dedicated to national security and the war on terror. We are promoting responsible government spending and are committed to upholding vital American programs like Social Security. Democrats are committed to rhetoric that does nothing to keep America safe or grow our economy.

It has even come so far that the minority leadership is willing to contradict themselves in order to block growth. On March 6, the House minority leader stated on Fox News Sunday that ''we must stop robbing the Social Security Trust Fund of its money to pay for other things.'' Yet in the June 24 edition of Congress Daily she stated, ''There is nothing wrong with Social Security lending money with the prospect of returning it.''

This week, I sat down in my office to do some reading and came across a series of editorials from leading Republican and Democrat Members. It was the sharp contrast in our ideologies that I saw when reading these articles that made me want to come to the floor tonight.

One of the Democrat's editorials claimed that the first 6 months of the 109th Congress will be remembered as legislatively unproductive. This is not only untrue, but it demonstrates the complete unwillingness of the House minority to acknowledge and join in the effort for progress in America.

Republicans are proud of our vast accomplishments in the first half of the 109th Congress and we hope we can work with our friends on the other side of the aisle to bring forth ideas for the betterment of the Nation. I am proud of our accomplishments not just because they represent good policy but also because so many of them attracted bipartisan support. More than 40 rank-and-file Democrats voted with us to enact some of the most important measures of this Congress—despite opposition from their leadership. I want to thank those on the other side of the aisle who acted in this Nation's best interest and put politics aside.

We are working towards solutions that will create a stronger America that we can hand down to future generations with pride. We want to preserve vital programs like Social Security, continue to create jobs, lower taxes for hardworking Americans, and address the security issues facing our country. I look forward to the day that the minority joins us in a bipartisan effort to strengthen our Nation and stops attempting to block progress for the sake of partisan politics.

In the meantime, I hope the American people will examine the record so that they can see which party truly is out of the mainstream. When they do, they will come to one and only one conclusion—that the Republican principles of progress and solutions are benefiting the entire Nation, while the Democrat tactics of obstruction and stonewalling contribute nothing. It is the Washington Democrats, Mr. Speaker, that are truly out of the mainstream—not the Republicans.

The SPEAKER pro tempore (Mr. PRICE of Georgia). Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

SMART SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, I rise to register my continued sadness and frustration with the Nation's Iraq policy. As much of Washington now focuses on a Supreme Court nomination, and as many Americans prepare for August vacations, I hope none of us forget the sacrifice of our men and women in uniform and the disastrous decisions that put them in harm's way in the very first place.

We are fast approaching 1,800 deaths in Iraq, Mr. Speaker, and for what? Are we any safer from terrorism? The recent attacks in London would seem to indicate that we are not. If the Iraq war has done so much to enhance American Security, why did we have to expand the PATRIOT Act last week and clamp down even further on our civil liberties?

The truth is our military presence in Iraq is contributing to the chaos there, not alleviating it. The occupation has sparked more intense feelings of anti-Americanism and breathed new life into the insurgency. A recent government report even voices concerns that terrorists and insurgents are succeeding at infiltrating the Iraqi police force.

Like all of my friends in Congress, I believe nothing is more important than supporting our troops, but I believe the best way to support them is to bring them home to their families as soon as possible. Ending the war should be the first step in a complete overhaul in our approach to a national security policy. We must redirect our priorities and our resources so that peace and diplomacy, not aggression and chest-beating, become the guiding lights of our foreign policy.

I have come up with a plan that I have labeled SMART Security, with SMART standing for Sensible, Multilateral American Response to Terrorism. There are five components to SMART.

First, stop future acts of terrorism, not by arbitrarily invading sovereign nations, but by collaborating with NATO and the U.N., by strengthening our intelligence capabilities, and by enhancing efforts to cut off financing of terrorist organizations.

Second, stop the spread of weapons of mass destruction, not by deposing regimes that do not have them, but with diplomacy, enhanced inspection regimes, and regional security arrangements. The United States should also work more closely with the states of the Soviet Union to secure loose nuclear material, and we should set an example for the world by living up to our own international nonproliferation commitments.

Third, address root causes of terrorism, like instability, despair and hopelessness. So SMART includes an ambitious international development program, debt relief, democracy building, sustainable development education, especially for women and for girls, and more for poor nations.

Fourth, shift U.S. budget priorities. Does it make any sense at all, Mr. Speaker, that we continue to invest billions of dollars in a missile defense shield? The Cold War is over, and our defense priorities should reflect the new threats of a new era. Among other things, we ought to be investing in renewable energy sources that will help wean the Nation from Middle Eastern oil. It is unbelievable to me that the Congress may soon pass an energy bill that costs us billions of dollars, but barely addresses the problem of dependence on oil imports.

Fifth, pursue alternatives to war. At its core, SMART is about choosing peace over war and resorting to force only in the most extreme circumstances. So it includes an emphasis on effective conflict assessment, early warning systems, multilateral response mechanisms, and other tools that will help avoid military action.

Mr. Speaker, our current national security posture is not only morally questionable, it is functionally flawed. My objection is not just a philosophical one, but a practical one. What we are doing now is not making America safer.

It is time to get smart about national security. It is time for a new strategy that protects America by relying on the very best of American values, our love of peace, our capacity for global leadership, our belief in freedom and opportunity, and our compassionate fellowship with the people of the world.

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

(Mr. OSBORNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CENTRAL AMERICAN FREE TRADE AGREEMENT

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

Mr. HENSARLING. Mr. Speaker, I rise tonight in strong support of the Central American Free Trade Agreement, known as CAFTA. This trade agreement will help boost American exports, create more American jobs, help fuel economic growth, and, perhaps more importantly, help preserve

the economic liberties of the common American citizen.

Now, those favoring protectionism tonight have cited several fallacious arguments for rejecting CAFTA and other free trade efforts. Some argue CAFTA will hurt business and jobs. The opposite is true. Even more than previous free trade agreements, U.S. producers have so much to gain under CAFTA. You see, our U.S. markets are already open to Central America. Eighty percent of imports from the six CAFTA countries already enter duty free. Since our markets are already open to goods from these countries, CAFTA will level the playing field like never before for American exports.

CAFTA could expand U.S. farm exports by $1.5 billion a year as prices of U.S. wheat and other crops are free from tariffs. Manufacturing and information technology could see exports increase by $1 billion annually when duties are removed. And the list goes on and on. A vote against CAFTA is a vote against new American jobs.

Another argument used by those who oppose trade is concern for the trade deficit, but as I just pointed out, our markets are already 80 percent open to the CAFTA countries. It is their markets that are mostly closed to us. Therefore, CAFTA can only help ease the trade deficit.

Now, other people argue that CAFTA will somehow increase illegal immigration. The opposite is, of course, true. Most illegal aliens do not come to America because they love hot dogs, baseball, and apple pie. They come quite simply because they are poor, and they need to feed their families. Trade with these Central American countries will help make the Central American countries more prosperous. Greater Central American prosperity will lead to fewer desperate workers, which in turn will lead to fewer illegal immigrants than would otherwise come over.

The CAFTA understanding on immigration measures explicitly states that it does not impose on the parties any obligations with respect to foreigners seeking employment or residency. Simply put: A vote against CAFTA is actually a vote for more illegal immigration.

Another argument which just simply does not stand up to scrutiny, Mr. Speaker, is that somehow, some way, somewhere the U.S. loses sovereignty. CAFTA is a voluntary agreement with our neighbors to lower tariffs according to a mutually agreed-upon schedule. If any country violates their commitments, other countries, of course, are free to retaliate as they wish. But no international body can make or change U.S. law. Again, no international body can change or make U.S. law. All we do is agree to a nonbinding dispute resolution that we are free to ignore at our will.

Mr. Speaker, we must pass CAFTA and the free trade it represents. Free trade delivers greater choice of goods and services to our consumers at lower prices. That means American families can buy better products using less of their paychecks. It is all about competition, and competition has always helped the consumer. We have over 200 years of history to prove it. And it does not matter if that competition comes from Nashville, Nicaragua, El Paso, or El Salvador.

Over the past few years, prices have dropped for a wide array of goods and services that are produced around the world, such as video equipment and toys, yet we pay a whole lot more for products that do not compete with foreign countries; for example, prescription drugs and cable TV. Competition works. Trade works. No one should come to this floor claiming to speak for low-income Americans and oppose CAFTA.

Mr. Speaker, beyond all the obvious economic benefits of free trade, we must recognize that this is fundamentally an issue of personal freedom. Nations do not trade with nations. People trade with people. With the exception of national security considerations, every American citizen should have the right to determine the origin of the goods and services that they want to purchase. Is this not the land of the free? Have not generations fought and sacrificed to secure the blessings of liberty?

Now, maybe we in Congress have the power, but do we have the right, do we have the moral authority to tell a waitress in Topeka, Kansas, she cannot buy a can of beans to help feed her family because it comes from El Salvador? Do we have the right, do we have the moral authority to tell a construction worker in New York that he cannot buy a pretty blue dress for his 3-year-old daughter because it comes from Honduras? Shame on us if we claim we do have that right.

Mr. Speaker, for over 200 years America has benefited from more trade and greater competition. I urge my colleagues to once again reject raw protectionism, reject bitter partisanship, and stand for freedom, stand for prosperity, stand for free trade and vote for the Central American Free Trade Agreement.

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

(Mr. RAMSTAD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. LEVIN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. EMANUEL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Tennessee (Mrs. BLACKBURN) is recognized for 5 minutes.

(Mrs. BLACKBURN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BURGESS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. GENE GREEN of Texas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. CASE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. SAXTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BRADY of Texas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. SHAW addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

STATE OF U.S. ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentlewoman from New York (Mrs. MALONEY) is recognized for 30 minutes as the designee of the minority leader.

Mrs. MALONEY. Mr. Speaker, there has been a great deal of happy talk lately from the Bush administration and its supporters about the state of the American economy. To hear them tell it, you would think that some kind of supply-side miracle has taken place in the past few months and that the economy is now performing so well that jobs are plentiful, workers are well paid, that the budget deficit is being slashed in half, and that the trade deficit, which happens to be the largest in history, is nothing to worry about.

□ 2300

Of course nothing could be further from the truth, and all we have to do is go out and talk to our constituents to know that. Tonight my colleagues and I want to set the record straight on the economic policies of the Bush administration.

We want to look at the real record of job creation, the continued presence of unemployment, the failure of wages to keep up with inflation, and the widening disparity between the haves and the have-nots which is tremendously troubling. We will document how ordinary workers have been shortchanged in this economy, which has gone through the most protracted job slump since the Great Depression.

This chart summarizes the point well. The Bush administration has the worst job creation record of any administration back to Herbert Hoover. This chart shows the average rate of job creation by this administration. For most of his term, President Bush was the only President since President Hoover to actually lose jobs. Now he is at least in positive territory, but with a very anemic job growth of just 0.2 percent per year. Compare that with the 2.4 percent annual job growth under President Clinton, which is more than 10 times greater. Compare this from the Clinton administration back to the Hoover administration.

The Bush administration and its supporters will not take responsibility for the failure of their policies. Instead they keep saying the same thing over and over again: tax cuts. But the Bush administration's economic program has not created an economy that works for America's ordinary citizens, and they have mortgaged our future.

Responsible analysts have shown that the Bush tax cuts were poorly designed for generating jobs and putting people back to work in the wake of the 2001 recession. They had very low ''bang for the buck'' in terms of job stimulus in the short run, but they were so massive, they created a legacy of large budget deficits and mounting debt that will be a drag on the economy in the long run.

President Bush has squandered the hard-won fiscal discipline achieved in the 1990s. He inherited a 10-year budget surplus of $5.6 trillion and turned it into a stream of deficits. This chart shows what has happened so far. This chart shows that when President Bush took office, the Congressional Budget Office was projecting that the budget surplus of $236 billion in 2000 would grow to over $433 billion in 2005. In fact, the latest projection from the administration is that the budget will have a deficit of $333 billion this year.

In their mid-session review, the administration proclaimed this a major improvement because they had projected an even larger deficit in their January budget. But $333 billion is still the third largest deficit in the history of our country and a far cry from the $435 billion surplus that was being projected at the start of the Bush administration.

The administration is portraying a future of declining deficits over the next few years, but that is not what responsible analysts say. They observe instead that special factors were probably the reason for the jump in revenue this year, and they point out how much is left out of the budget projections, including the ongoing cost of the war in Iraq and Afghanistan and a fix for the alternative minimum tax.

We have become a Nation of debtors, relying on the rest of the world to finance our budget deficits and the rest of our excessive spending.

Last year we had to finance a record current account deficit of $668 billion, and that deficit was even larger at an annual rate in the first quarter reaching 6.4 percent of our gross national product.

Foreign governments are holding large quantities of our public debt, putting us at risk of a major international financial crisis if they should decide that the benefits of holding dollars are no longer worth the risk.

Mr. Speaker, our future prosperity depends on increasing our national savings and making wise investments. It depends on being ready for the retirement of the baby boom generation and the pressure we know that will be put on the budget. But how is the Bush administration preparing us for this future? With more deficits and more debt. They want to make the tax cuts that have gotten us into part of this mess permanent, and they have a plan for privatizing Social Security that would cut benefits substantially and add even more to our debt. We need a better plan.

Mr. Speaker, in the remainder of our time, we will look more closely at the realities of this economy and the failures of the current economic policies, including the weak labor market that continues to be a major characteristic of the Bush administration economy.

Mr. Speaker, I yield to the gentlewoman from California (Ms. LORETTA SANCHEZ), an economist by training.

Ms. LORETTA SANCHEZ of California. Mr. Speaker, I thank the gentlewoman from New York (Mrs. MALONEY) for putting together this Special Order.

I think the chart that was just up is a very important chart to talk about. A lot of people ask me what is the most important thing you are worried about when you go to sleep at night. They know that I sit on the Committee on Armed Services and the Committee on Homeland Security. I tell them the problem is the debt and the deficits that we are creating in Washington, D.C. because they will come back to haunt each and every family in this United States.

The chart there shows that when President Bush took office we were running a surplus, a surplus in the annual budget that we had, in other words, our annual spending plan. President Clinton had structured our taxes in such a way that he brought down the deficit from earlier years, and we were in a surplus. We were collecting more taxes than we were spending in a year, which allowed us to take those additional taxes and bring down the debt, the actual debt that this country carried.

But what happened when President Bush came into office? He began to change that around because spending went up and we collected fewer taxes. We have given three large packages of tax cuts in the time that President Bush has been in office. His own controller has said that the reason we are running deficits, 70 percent of that is due to the fact that we just do not collect taxes. We do not collect enough taxes to pay for the programs that we are spending on an annual basis. So 70 percent is due to the fact of those tax cuts. And those tax cuts, quite frankly, were not even very good; they are haphazard. They were used to buy votes and to make everybody think they had gotten a tax cut, but when you look at the tax packages and what has happened to us as a Nation in order to invest in our future, they were very poorly written and really do not do very much for our overall economy.

But this deficit problem that we see on this chart, every year we are spending more than the moneys we are taking in in Washington, D.C. That is a problem because it adds to our debt. It is a problem because this just keeps growing and growing. Our debt is now over $7 trillion, and no one seems to mind here in Washington, D.C.

We can give you tax cuts, we can spend $1.5 billion a week on a war in Iraq, and everything will be fine. When will that happen? Who will pay this debt? Well, sooner rather than later we will, my generation. And then when we cannot get to it, our children. After our children, our grandchildren. This is

a major problem for us. The reason it is a problem is because unless you invest in your country for the future, you are going to become disadvantaged economically compared to the rest of the world. What do I mean by that?

□ 2310

Every week that we spend $1.5 billion in Iraq, we get nothing back in return, not one little dime on that investment. Meanwhile, we do not invest in education, we do not invest in a health care system, we do not invest in telecommunications, we cannot even pass a transportation bill in this town, we do not invest in new technology. When you do not invest in those things that make you more productive, sooner or later the Chinese and people from India and other places will be smarter, will be better equipped, and will be better able to take over the global economy.

We are not investing in our children. We are not investing in ourselves. We are not retraining those people who have lost jobs. We are not helping them. We are not building the next new thing. We are not putting enough money into research because we are not taking in the money at the Federal level because of those tax cuts and because we are spending it on a war that is bringing nothing, no rate of return back to us.

Mrs. MALONEY. I thank the gentlewoman for her comments.

The great American jobs machine, which created over 20 million net new jobs under President Clinton, has been sputtering under President Bush. We are only just emerging from the most protracted job slump since the 1930s. Job creation is still sluggish. There continues to be substantial hidden unemployment. Wages are not keeping up with inflation, and there is a widening gulf between the haves and the have-nots. The benefits of the economic recovery are showing up in the bottom line of companies, but not in the paychecks of American workers.

Let us look at job creation. Last month there were 1.1 million more jobs on nonfarm payrolls than there were when President Bush took office in January of 2001. That is a paltry pace of job creation of just 20,000 jobs per month, 2/10 of 1 percent per year. That is the slowest pace of job creation under any President in over 70 years.

Leaving aside job creation in the government sector, there were just 161,000 more private sector jobs on U.S. payrolls last month than there were when President Bush took office. Within the private sector, manufacturing was particularly hard hit, with payrolls declining by 2.8 million manufacturing jobs between 2001 and 2005. That is 2.8 million manufacturing jobs lost. The job slump associated with the recession that began in March 2001 has been the most protracted job slump since at least the end of World War II. We only have consistent data back that far. But, in fact, one would have to go back to the 1930s to find a worse job slump.

As you can see in this chart, which focuses on the period after the end of World War II and shows the percentage change in employment after the start of a recession, job losses typically stop about a year after the onset of a recession, and employment begins to increase after about 15 months. Within 2 years, employment surpasses its prerecession level and is expanding at a healthy pace.

The most recent job slump has been dramatically different from that pattern and even more protracted than the so-called ''jobless recovery'' following the 1990–1991 recession. In the latest recession, which began in March 2001, job losses continued until May 2003, more than 2 years after the start of the recession. It was not until January 2005, nearly 4 years later, that payroll employment finally climbed out of the hole created by the recession.

The administration seems to think that it is evidence of a strong economic recovery that payroll employment has increased in every month since May 2003, but the pace of job creation over that period has been just 148,000 jobs per month. This is not the kind of job creation that you would expect in a strong economic recovery. In fact, it is only a little bit faster than the amount of job creation that is needed just to keep pace with normal growth in the labor force. We have to have between 125,000 to 150,000 new jobs created to just keep pace with the number of workers going into the labor force.

Compare this experience with the 1990s the long economic expansion of the 1990s under President Clinton, it was common to see job gains of 200,000 to 300,000 and, in some cases, 400,000 jobs per month. But months with job gains of 200,000 or more have been few and far between in this business cycle recovery. In May, 104,000 jobs were added and in June, 146,000 were added. These are not strong numbers because, as I said, we have to create between 125,000 and 150,000 new jobs just to keep pace with the new young workers moving into the job market.

The expansion of the 1990s started slowly, but the jobless recovery following the 1990–1991 recession pales in comparison with the prolonged job slump we experienced after the 2001 recession. At this point in the recovery from the 1990–1991 recession, the economy had created over 4 million more jobs than we have seen in this recovery.

Contrary to administration claims about the success of their policies in stimulating the economy and producing jobs, the facts tell a very different story about the Bush economic record on job creation. President Bush has the worst job creation record of any President since Herbert Hoover, and the economy under President Bush has struggled to escape from what has been by far the most prolonged job slump in the postwar period.

I yield to the distinguished gentlewoman from California for further comments on this issue.

Ms. LORETTA SANCHEZ of California. In fact, the Bush administration does try to paint things rosy, but we have to admit, you can feel it out there. You can feel it in towns. You know it. You can feel it within your family. During the Clinton years, everybody was making money. People had jobs. They had good jobs. We could see the economy expanding.

As an economist, I will tell you that in business school we learned that there are ups and there are downs in the economy. They are called cycles. A typical business cycle lasts 12 to 14 months. With Clinton in office, it lasted 8 years. There was a reason. He took the hard steps to bring in the money to pay down the debt of the United States. People realized that financially our house was in order, and it was sound, and it was getting sounder. But with Bush, it is completely the opposite. That is one of the reasons why we have an anemic job creation going on.

And other figures that they throw out, oh, unemployment is down. Let me tell you why unemployment would be down. After a while when you cannot find a job and you stop looking for a job because there is just not a job to be had in town, you come off the unemployment rolls, you are not considered unemployed anymore. You are just left. You are not in the figures. If you used to have a job that paid $25 an hour and had vacation time and had a pension, had health care paid, and you look and you look and you look for that job, but there is not a job to be had like that, and you are losing your home because you cannot pay your mortgage, and your kids need to be fed, and the only job you can get is to go down to McDonald's or something and get a minimum wage job, that happens, guess what, you are no longer unemployed. You are no longer unemployed.

That is why when they say unemployment is going down, what they mean is people are underemployed. They are taking whatever job they can find, without pensions, without medical health care for their families. These are not the same jobs that they used to have, that we used to have. That is why we feel it. We feel it in America. We know. Our gut tells us things are not as good today as they were back then under the Democrats.

□ 2320

Mrs. MALONEY. Mr. Speaker, reclaiming my time, I thank my colleague for her comments. And one of the things that we have talked about that is very troubling to her and me besides the sluggish job growth and the hidden unemployment which she talked about, the third most disturbing development in the labor market is the widening disparity in earnings between the haves and the have-nots. It is fundamentally unfair, and democracy works better when there are not huge differences between our people. And as Chairman Greenspan has testified before Congress many times his concern

about this widening distance, he has argued that it tears at the very social fabric of our Nation.

And let me illustrate this with a few facts. The Bureau of Labor Statistics publishes data on the usual weekly earnings of full-time workers at different points on the wage ladder, and the chart shows that after adjusting for inflation, the usual weekly earnings at the exact middle of the distribution, real median usual weekly earnings, grew a paltry .2 percent per year from the fourth quarter of 2000 to the fourth quarter of 2004. That contrasts with the healthy 1.7 percent per year in the previous 4 years under President Clinton. In other words, the typical worker, whose earnings grew substantially faster than inflation in the late 1990s, has seen the earnings growth grind to a halt during the first 4 years of the Bush administration. The typical worker's earnings barely kept up with inflation.

Worse than the overall stagnation in earnings is the widening disparity of earnings between high earners and low earners. If we look at those same data on usual weekly earnings of full-time workers, but instead of just looking at the middle, we look at the top and bottom as well, we see a disturbing pattern. In this chart, the blue bars show growth in the Clinton years. Yes. There was very good growth at the very top of the distribution, but there was likewise substantial growth in the middle and at the bottom as well.

Compare that with the red bars showing the changes during the first 4 years of the Bush administration. Real earnings at the bottom of the distribution, the 10th percentile, actually fell at an average annual rate of .3 percent per year in President Bush's first term, while those at the top, the 90th percentile, rose the most, almost 1 percent per year. In other words, the earnings that lagged farthest behind for inflation under President Bush were those people with the lowest earnings to begin with, while the earnings that grew the fastest, faster even than inflation, were those for people at the highest earnings to begin with.

Finally, we come to the most disturbing trend of all. Things have been getting worse, not better, recently. During the period when the economy has finally started creating jobs, earnings have not been keeping up with inflation. In the past year, the only earnings that grew faster than inflation were those of people at the very top. Everyone else saw their cost of living grow faster than their earnings. And when we look at the facts of what is happening to most workers, it is hard to accept the President's argument that his tax cuts have worked to create better jobs and higher wages. That is not what we see when we look at this data.

It is very troubling to the people, and it is very troubling, I would say, to the future of this country. It is not good for anyone, whether they are at the top or bottom, to have this wage gap growing and this disparity growing in our Nation. It is an extremely troubling trend.

I yield to the gentlewoman from California.

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, I believe that this chart really tells a great picture. We look at these blue bars. We start on one side and we see people who make the least amount of money, and we go across the way to people who are very rich and making lots of money. And the blue bars are during Clinton's time, and what they say about ''a high tide raises all boats,'' we can see that. See the blue. They all grow up.

The red represents the Bush years. The one under, the negative growth, are the poor people, the people who make the least amount of money. And the big red bar on the other end, those are the people who make the most money on an annual basis. Look at that. So that is what Bush has done. He has rewarded those who make the most money by increasing what they are making, and those households that make less money actually are losing ground.

But we do not have to look at a chart like that. We can see it every day. What is the biggest disparity that we have between those who have great jobs and those who have minimum-wage jobs? One of the major things is education, for example. Those who have a better education, they are probably, probably, going to make more money.

So what has Bush done during these years? If we look at this budget that he proposed this year, cutting moneys to community colleges, a place where people who have lost their jobs can go and get new skills, get retrained, the money is not there anymore. Places for immigrants who want to learn English at night, for example, cannot get into those classes anymore. The Republicans are trying to cut the student loan program, a way in which people, people who do not have money, are able to go and finance an education. I know because I had student loans, Pell grants. Those are the out, and scholarships that we give to people who want to go get a higher education, he managed to raise it by only $100. Think about that. Tuition going crazy at colleges and universities. Anybody who has got teenage kids and is looking at this can see the trend: $100, that is the increase that the President says is going to fix everything.

But the biggest disparity that has happened from this President is the fact that he put in a signature package called No Child Left Behind where he was going to look and measure how our kids were doing in our kindergarten through 12th-grade system, and if they were not doing well, if they were below the level where they should be, we were going to tutor them, get more people in to help them, take extra care of these kids so we can bring them up to the average where they were supposed to be. Guess what? Nine billion dollars short. In other words, he passed the program, but he forgot to fund it. And then people wonder what is wrong with education?

We are not investing in one of the most important things we have to do, and that is to get our people up, to make them scientists and mathematicians. Go to the universities. Go to the universities and look and see who is teaching our math and science classes. They are foreigners. And then take a look at who is in the class. They, too, are foreigners. And it used to be that these foreigners stayed in the United States, and they became Americans, and they helped us to make the new, new things and the new industries and the new technology, but now our very own companies are getting them and sending them back to India or China or wherever they come from, and they are competing against us.

Mrs. MALONEY. Mr. Speaker, reclaiming my time, the gentlewoman has pointed out a good fact there.

But let us talk a little bit now about the American jobs machine, which brought the unemployment rate down under President Clinton.

The SPEAKER pro tempore (Mr. PRICE of Georgia). Under the Speaker's announced policy, the gentlewoman is recognized for an additional 30 minutes.

Mrs. MALONEY. Mr. Speaker, the great American jobs machine, which brought the unemployment rate down under President Clinton from 7.5 percent in 1992 to 4 percent in 2000, has been sputtering under President Bush. We are only just emerging from really the worst job slump since the 1903s, and job creation is still sluggish. There continues to be substantial hidden unemployment. Wages are not keeping up with inflation, and there is a widening disparity, as we talked about, in wages and incomes.

□ 2330

The benefits of the economic recovery are showing up in the bottom line of companies, but it is not showing up in the pocketbooks of American workers.

Let us look at hidden unemployment. The good news is that the official unemployment rate has come down from its high of 6.3 percent in June of 2003 to 5 percent this last month. The very bad news is that a 5 percent unemployment rate is still nearly a percentage point higher than it was when President Bush took office.

But, it is worse than that, because there is an additional hidden unemployment. People have not come back into the labor force the way they usually do in an economic recovery. Last month, 7.5 million people were officially counted as unemployed, 1.5 million more people than were unemployed when President Bush took office in January of 2001.

To be counted as unemployed, a person must be actively looking for work,

but in a weak labor market, there can be considerable hidden unemployment and underemployment if people who want to work have been discouraged from looking for work, and if people who want to work full-time can only find a part-time job. In a typical business cycle recovery, people come back into the labor force as the prospects of finding a job improve but, this time, the labor force participation rate has remained depressed, compared with what it was in the start of the recession.

Last month, 5.2 million people who were not in the labor force said they wanted a job. About 1.6 million of these are considered ''marginally attached'' to the labor force because they have searched for work in the past year and are available for work, but they are not counted in the official unemployment rate, because they did not search for work recently enough. In addition to people who are not in the labor force but say they want a job, 4.5 million people were working part-time in June because of the weak economy. They wanted full-time work, but they were not able to find it.

The official unemployment rate was 5 percent in June. The Bureau of Labor Statistics estimates that if marginally attached workers were included, the unemployment rate would have been 6 percent, and if those working part-time for economic reasons were also included, it would have been 9 percent. A new study by Katherine Bradbury of the Federal Reserve of Boston reaches similar conclusions: labor force participation has not rebounded in this recovery the way it usually does, and the unemployment rate would be 1 to 3 percentage points higher if those missing participants were in the labor force.

Mr. Speaker, the President and his supporters seem to think that a 5 percent unemployment rate shows the success of their economic policies in creating jobs, but the facts tell a very different story. Employers are not hiring as though they believe the economy is strong, and potential workers are staying out of the labor force. The unemployment rate is still almost a percentage point higher than it was when President Bush took office, and there is considerable hidden unemployment. Employers are not hiring as though they believe the economy is strong, and potential workers are staying out of the labor force.

So these numbers are not strong, and I ask my colleague if she would like to elaborate.

Ms. LORETTA SANCHEZ of California. Well, almost everywhere you look in the economy, if you really understand what is going on, the numbers are not strong; the numbers just are not strong. Again, one of the things we need to do as a country is to invest in our people and invest in our country, make ourselves economically strong, because other countries are doing it. China is investing. They are not spending $1.5 billion a week in Iraq. They are investing in their people, they are building their water systems, their sewer systems, their transportation systems, their telecommunications systems; they are making themselves stronger. That is what countries do in order to bring up their standard of living.

Now, I have already told my colleagues that we are really not putting the money into education. Even the chairman of the Federal Reserve Board, Chairman Greenspan, said the other day in front of our economic committee, after everything he said and we had all kinds of questions, all kinds of things to say, and he kept coming back to the same thing: there is a problem in education in the United States, and if we do not fix education, nothing else matters. That is what he said to us, pretty much over and over: nothing else matters. It is productivity.

So we are not investing in education, we have not been able to pass a transportation bill to put people to work in their own communities, building their transportation systems so they can be more productive, so they do not spend as much time in traffic, for example, and those are good-paying jobs. Those are good-paying jobs that spin off other jobs, but we are not doing it from here. Why? Because we are sending the money out. Meanwhile, we are talking about building schools in Iraq and building transportation systems in Iraq, and building water systems in Iraq, but we are really not doing it here in the United States. We are not putting the money where we need to have it put. And, let me also add that we have another major problem, and that is called the trade deficit. The trade deficit.

Just earlier this year, when the tariffs came off of textiles with respect to China, our trade deficit went crazy against that country. And it will continue so until we figure out how to invest in ourselves, how to invest in our country, how to collect the taxes and pay down our debt, bring down the deficit every year, so that people will begin to believe us again, that we understand how to run a financially sound household here.

I am sure that the gentleman from New York is probably going to talk a little bit about the statistics with respect to trade and what that is doing to us.

Mrs. MALONEY. Mr. Speaker, I really want to point out that the President and his supporters are trying to make the case that the economy is thriving and that their policies are responsible. But when we look at the facts that we have pointed out tonight, we see instead that American workers are still waiting to see the benefits of the economic recovery in their paychecks, and that we have large and unsustainable budgets and trade deficits.

In fact, this administration has set a number of records, only the problem is, they are the wrong records. They have raised the debt ceiling 3 times so that now, we have a staggering debt of over $7.6 trillion. This is the largest debt in the history of our country, and that breaks down to each American's share being over $26,000. That is what we are giving to our children and our grandchildren.

And, as was said earlier, the trade deficit is again another record, only the wrong kind of record; another record of over $619 billion, the largest in the history of this country, and growing. And, we have a staggering deficit of over $333 billion.

I remember when I ran for office back in 1992, the country had a deficit of $250 billion, and everybody said it was the worst they have ever seen. If I had told them, ''vote for me, I am going to go to Congress, I am going to work with the democratic Congress to pay off that deficit, and in a number of years you are going to see a huge surplus,'' they would have said, well, she is a nice little girl, but she does not know what she is talking about.

But that is exactly what we did. We came to Congress with President Clinton, we paid down that deficit, and he left office with a surplus, a huge surplus. That is what the Bush administration inherited. And what have they given us? They have given us a staggering deficit, a staggering trade deficit, and the largest debt in the history of our Nation. What kind of legacy is that?

Mr. Speaker, I say to my colleagues that on top of this burden that they are putting on our children and our grandchildren, they now plan to privatize part of Social Security that would also add to the debt without increasing our national savings. And, according to Chairman Greenspan, this privatization that they proposed for Social Security would not do one inch of help to help the solvency of the Social Security plan. It does not help the solvency; it just adds to the staggering debt.

□ 2340

And on top of this, they proposed cuts to traditional Social Security benefits that would undermine the economic security of future retirees. And I say to my colleagues, this is not the legacy that I want to leave to my children or to my grandchildren. It is a burden that will have a huge impact on their quality of life.

That concludes my remarks.

Ms. LORETTA SANCHEZ of California. I will just say that the whole issue of Social Security, by the way, pension plans that many of our retirees are on or believe that they are going to be on in a few years, are really due to be lost under the Bush administration.

Some of the policies that they have and some of the ideas that they have of really the security, the financial security, of people is really up for grabs with this administration with some of the ideas that they have, but that is another night. We can talk about what they plan to do to the American people on another night.

I want to finish off by saying, you know, again, we feel it. You feel it. We feel the difference between what we experienced under President Clinton and what we are experiencing under President Bush.

President Bush would have you believe it is because 9/11 happened, and because the terrorists are after us, and because we are now having to spend money in the war. And he is trying to tell you that that is why we have this malaise going on in our economy.

I have got news for you. That has very little to do with it. It has to do with the priorities of where you put your money. The priorities should be in investing in America. The priorities should be in trade because we are in a global economy, but in fair trade, not free trade, in fair trade with countries who will not have slave labor competing against us, the American workers.

It is about people who hold to promises, if we have trademarks, if we have copyrights, if we have intellectual property. If we spend the money to make a software system, it should not be pirated and copied the next day over in China and then back in our markets to compete against us. But other countries do that, and we sit here as an administration and they do nothing. They do nothing.

So they have forgotten to fund education; they are cutting it back, in fact. We have not even begun to get into the whole idea of health care. If you are not a healthy country, you are not going to be a productive country. We have not talked about investing in technology and transportation and in telecommunication. Those are all issues that are important for us. But these issues of not understanding and not standing up to other countries who are mistreating us when we trade is another reason why this trade deficit is against us, and that in return hurts us economically and builds this debt and this deficit.

But one of the biggest reasons why we have deficits and why we are adding to the debt is because again this President has told us that we can go to war, that we can do everything, that we should continue to spend, that we do not need to save as a country, and that somehow or another everything is going to work out, oh, and by the way, we do not have to pay taxes. That is his message. Well, we are smart people. Americans, we are smart people. We understand what is going on.

The answer is we need to begin to change this, and we need to get our financial house in order. And I thank the gentlewoman for having taken the time tonight to discuss some of these issues.

Mrs. MALONEY. Well, I thank the gentlewoman for her comments. And I would just like to conclude by noting that this Monday was President Clinton's birthday. And I authored a resolution congratulating him on his birthday, which emphasized his strong economic program for this country.

Although many of my colleagues or some of my colleagues may not agree with all of his policies, the facts speak for themselves. He inherited a deficit; he left office with a surplus. And while he was putting our economic house in order, we balanced our budget, and we invested also in child care, in health care, in education and helped the people in our country.

During the Clinton years there was a very important economic factor, that the distance between the haves and the have-nots came closer together. In other words, everyone prospered, which is good for the Nation. It is not good for only one segment to prosper and others to fall behind. That really could destroy the social fabric of this country. It is very disturbing to me.

So I wish that we would return to really the financial policies that we had under President Clinton where we balanced our budget, we invested in our people, in education, and health care, and we had a surplus. Yet under this administration the surplus is gone, and we have a staggering debt, the largest in our history. This is not the legacy that I want to leave to my children.

CONFERENCE REPORT ON H.R. 2361

Mr. TAYLOR of North Carolina submitted the following conference report and statement on the bill:

(H.R. 2361) making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes:

CONFERENCE REPORT (H. REPT. 109–188)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2361) ''making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes'', having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

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

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For necessary expenses for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $860,791,000, to remain available until expended, of which $1,250,000 is for high priority projects, to be carried out by the Youth Conservation Corps; and of which $3,000,000 shall be available in fiscal year 2006 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation for cost-shared projects supporting conservation of Bureau lands; and such funds shall be advanced to the Foundation as a lump sum grant without regard to when expenses are incurred.

In addition, $32,696,000 is for Mining Law Administration program operations, including the cost of administering the mining claim fee program; to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $860,791,000, and $2,000,000, to remain available until expended, from communication site rental fees established by the Bureau for the cost of administering communication site activities.

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for fire preparedness, suppression operations, fire science and research, emergency rehabilitation, hazardous fuels reduction, and rural fire assistance by the Department of the Interior, $766,564,000, to remain available until expended, of which not to exceed $7,849,000 shall be for the renovation or construction of fire facilities: Provided, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: Provided further, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: Provided further, That notwithstanding 42 U.S.C. 1856d, sums received by a bureau or office of the Department of the Interior for fire protection rendered pursuant to 42 U.S.C. 1856 et seq., protection of United States property, may be credited to the appropriation from which funds were expended to provide that protection, and are available without fiscal year limitation: Provided further, That using the amounts designated under this title of this Act, the Secretary of the Interior may enter into procurement contracts, grants, or cooperative agreements, for hazardous fuels reduction activities, and for training and monitoring associated with such hazardous fuels reduction activities, on Federal land, or on adjacent non-Federal land for activities that benefit resources on Federal land: Provided further, That the costs of implementing any cooperative agreement between the Federal Government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: Provided further, That notwithstanding requirements of the Competition in Contracting Act, the Secretary, for purposes of hazardous fuels reduction activities, may obtain maximum practicable competition among: (1) local private, nonprofit, or cooperative entities; (2) Youth Conservation Corps crews or related partnerships with State, local, or non-profit youth groups; (3) small or micro-businesses; or (4) other entities that will hire or train locally a significant percentage, defined as 50 percent or more, of the project workforce to complete such contracts: Provided further, That in implementing this section, the Secretary shall develop written guidance to field units to ensure accountability and consistent application of the authorities provided herein: Provided further, That funds appropriated under this head may be used to reimburse the United States Fish and Wildlife Service and the National Marine Fisheries Service for the costs of carrying out their responsibilities under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) to consult and conference, as required by section 7 of such Act, in connection with wildland fire management activities: Provided further, That the Secretary of the Interior may use wildland fire appropriations to enter into non-competitive sole

source leases of real property with local governments, at or below fair market value, to construct capitalized improvements for fire facilities on such leased properties, including but not limited to fire guard stations, retardant stations, and other initial attack and fire support facilities, and to make advance payments for any such lease or for construction activity associated with the lease: Provided further, That the Secretary of the Interior and the Secretary of Agriculture may authorize the transfer of funds appropriated for wildland fire management, in an aggregate amount not to exceed $9,000,000, between the Departments when such transfers would facilitate and expedite jointly funded wildland fire management programs and projects: Provided further, That funds provided for wildfire suppression shall be available for support of Federal emergency response actions.

CONSTRUCTION

For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $11,926,000, to remain available until expended.

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94–579, including administrative expenses and acquisition of lands or waters, or interests therein, $8,750,000, to be derived from the Land and Water Conservation Fund and to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein, including existing connecting roads on or adjacent to such grant lands; $110,070,000, to remain available until expended: Provided, That 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

FOREST ECOSYSTEM HEALTH AND RECOVERY FUND

(REVOLVING FUND, SPECIAL ACCOUNT)

In addition to the purposes authorized in Public Law 102–381, funds made available in the Forest Ecosystem Health and Recovery Fund can be used for the purpose of planning, preparing, implementing and monitoring salvage timber sales and forest ecosystem health and recovery activities, such as release from competing vegetation and density control treatments. The Federal share of receipts (defined as the portion of salvage timber receipts not paid to the counties under 43 U.S.C. 1181f and 43 U.S.C. 1181f–1 et seq., and Public Law 106–393) derived from treatments funded by this account shall be deposited into the Forest Ecosystem Health and Recovery Fund.

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 percent of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $10,000,000, to remain available until expended: Provided, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94–579, as amended, and Public Law 93–153, to remain available until expended: Provided, That, notwithstanding any provision to the contrary of section 305(a) of Public Law 94–579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: Provided further, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on her certificate, not to exceed $10,000: Provided, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For necessary expenses of the United States Fish and Wildlife Service, as authorized by law, and for scientific and economic studies, maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, general administration, and for the performance of other authorized functions related to such resources by direct expenditure, contracts, grants, cooperative agreements and reimbursable agreements with public and private entities, $1,008,880,000, to remain available until September 30, 2007, except as otherwise provided herein: Provided, That $2,500,000 is for high priority projects, which shall be carried out by the Youth Conservation Corps: Provided further, That not to exceed $18,130,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act, as amended, for species that are indigenous to the United States (except for processing petitions, developing and issuing proposed and final regulations, and taking any other steps to implement actions described in subsection (c)(2)(A), (c)(2)(B)(i), or (c)(2)(B)(ii)), of which not to exceed $12,852,000 shall be used for any activity regarding the designation of critical habitat, pursuant to subsection (a)(3), excluding litigation support, for species listed pursuant to subsection (a)(1) prior to October 1, 2005: Provided further, That of the amount available for law enforcement, up to $400,000, to remain available until expended, may at the discretion of the Secretary be used for payment for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activity, authorized or approved by the Secretary and to be accounted for solely on her certificate: Provided further, That of the amount provided for environmental contaminants, up to $1,000,000 may remain available until expended for contaminant sample analyses.

CONSTRUCTION

For construction, improvement, acquisition, or removal of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; $45,891,000, to remain available until expended: Provided, That funds made available under the 2005 Consolidated Appropriations Act (Public Law 108–447) for the Chase Lake and Arrowwood National Wildlife Refuges, North Dakota, shall be transferred to North Dakota State University to complete planning and design for a Joint Interpretive Center.

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $28,408,000 to be derived from the Land and Water Conservation Fund and to remain available until expended: Provided, That none of the funds appropriated for specific land acquisition projects can be used to pay for any administrative overhead, planning or other management costs.

LANDOWNER INCENTIVE PROGRAM

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for private conservation efforts to be carried out on private lands, $24,000,000, to be derived from the Land and Water Conservation Fund, and to remain available until expended: Provided, That the amount provided herein is for a Landowner Incentive Program established by the Secretary that provides matching, competitively awarded grants to States, the District of Columbia, federally recognized Indian tribes, Puerto Rico, Guam, the United States Virgin Islands, the Northern Mariana Islands, and American Samoa, to establish or supplement existing landowner incentive programs that provide technical and financial assistance, including habitat protection and restoration, to private landowners for the protection and management of habitat to benefit federally listed, proposed, candidate, or other at-risk species on private lands.

PRIVATE STEWARDSHIP GRANTS

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for private conservation efforts to be carried out on private lands, $7,386,000, to be derived from the Land and Water Conservation Fund, and to remain available until expended: Provided, That the

amount provided herein is for the Private Stewardship Grants Program established by the Secretary to provide grants and other assistance to individuals and groups engaged in private conservation efforts that benefit federally listed, proposed, candidate, or other at-risk species.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out section 6 of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.), as amended, $82,200,000, of which $20,161,000 is to be derived from the Cooperative Endangered Species Conservation Fund and $62,039,000 is to be derived from the Land and Water Conservation Fund and to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $14,414,000.

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $40,000,000, to remain available until expended.

NEOTROPICAL MIGRATORY BIRD CONSERVATION

For financial assistance for projects to promote the conservation of neotropical migratory birds in accordance with the Neotropical Migratory Bird Conservation Act, Public Law 106–247 (16 U.S.C. 6101–6109), $4,000,000, to remain available until expended.

MULTINATIONAL SPECIES CONSERVATION FUND

For expenses necessary to carry out the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), the Asian Elephant Conservation Act of 1997 (Public Law 105–96; 16 U.S.C. 4261–4266), the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5301–5306), the Great Ape Conservation Act of 2000 (16 U.S.C. 6301), and the Marine Turtle Conservation Act of 2004 (Public Law 108–266; 16 U.S.C. 6601), $6,500,000, to remain available until expended.

STATE AND TRIBAL WILDLIFE GRANTS

For wildlife conservation grants to States and to the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, the Northern Mariana Islands, American Samoa, and federally recognized Indian tribes under the provisions of the Fish and Wildlife Act of 1956 and the Fish and Wildlife Coordination Act, for the development and implementation of programs for the benefit of wildlife and their habitat, including species that are not hunted or fished, $68,500,000, to be derived from the Land and Water Conservation Fund and to remain available until expended: Provided, That of the amount provided herein, $6,000,000 is for a competitive grant program for Indian tribes not subject to the remaining provisions of this appropriation: Provided further, That the Secretary shall, after deducting said $6,000,000 and administrative expenses, apportion the amount provided herein in the following manner: (1) to the District of Columbia and to the Commonwealth of Puerto Rico, each a sum equal to not more than one-half of 1 percent thereof; and (2) to Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, each a sum equal to not more than one-fourth of 1 percent thereof: Provided further, That the Secretary shall apportion the remaining amount in the following manner: (1) one-third of which is based on the ratio to which the land area of such State bears to the total land area of all such States; and (2) two-thirds of which is based on the ratio to which the population of such State bears to the total population of all such States: Provided further, That the amounts apportioned under this paragraph shall be adjusted equitably so that no State shall be apportioned a sum which is less than 1 percent of the amount available for apportionment under this paragraph for any fiscal year or more than 5 percent of such amount: Provided further, That the Federal share of planning grants shall not exceed 75 percent of the total costs of such projects and the Federal share of implementation grants shall not exceed 50 percent of the total costs of such projects: Provided further, That the non-Federal share of such projects may not be derived from Federal grant programs: Provided further, That no State, territory, or other jurisdiction shall receive a grant unless it has developed, by October 1, 2005, a comprehensive wildlife conservation plan, consistent with criteria established by the Secretary of the Interior, that considers the broad range of the State, territory, or other jurisdiction's wildlife and associated habitats, with appropriate priority placed on those species with the greatest conservation need and taking into consideration the relative level of funding available for the conservation of those species: Provided further, That no State, territory, or other jurisdiction shall receive a grant if its comprehensive wildlife conservation plan is disapproved and such funds that would have been distributed to such State, territory, or other jurisdiction shall be distributed equitably to States, territories, and other jurisdictions with approved plans: Provided further, That any amount apportioned in 2006 to any State, territory, or other jurisdiction that remains unobligated as of September 30, 2007, shall be reapportioned, together with funds appropriated in 2008, in the manner provided herein: Provided further, That balances from amounts previously appropriated under the heading ''State Wildlife Grants'' shall be transferred to and merged with this appropriation and shall remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of passenger motor vehicles; repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are used pursuant to law in connection with management, and investigation of fish and wildlife resources: Provided, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: Provided further, That, notwithstanding any other provision of law, the Service may use up to $2,000,000 from funds provided for contracts for employment-related legal services: Provided further, That the Service may accept donated aircraft as replacements for existing aircraft: Provided further, That, notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in the statement of the managers accompanying this Act.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, $1,744,074,000, of which $9,892,000 is for planning and interagency coordination in support of Everglades restoration and shall remain available until expended; of which $97,600,000, to remain available until September 30, 2007, is for maintenance, repair or rehabilitation projects for constructed assets, operation of the National Park Service automated facility management software system, and comprehensive facility condition assessments; and of which $2,000,000 is for the Youth Conservation Corps for high priority projects: Provided, That the only funds in this account which may be made available to support United States Park Police are those funds approved for emergency law and order incidents pursuant to established National Park Service procedures, those funds needed to maintain and repair United States Park Police administrative facilities, and those funds necessary to reimburse the United States Park Police account for the unbudgeted overtime and travel costs associated with special events for an amount not to exceed $10,000 per event subject to the review and concurrence of the Washington headquarters office.

UNITED STATES PARK POLICE

For expenses necessary to carry out the programs of the United States Park Police, $81,411,000.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, $54,965,000: Provided, That none of the funds in this Act for the River, Trails and Conservation Assistance program may be used for cash agreements, or for cooperative agreements that are inconsistent with the program's final strategic plan.

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), $73,250,000, to be derived from the Historic Preservation Fund and to remain available until September 30, 2007, of which $30,000,000 shall be for Save America's Treasures for preservation of nationally significant sites, structures, and artifacts: Provided, That not to exceed $5,000,000 of the amount provided for Save America's Treasures may be for Preserve America grants to States, Tribes, and local communities for projects that preserve important historic resources through the promotion of heritage tourism: Provided further, That any individual Save America's Treasures or Preserve America grant shall be matched by non-Federal funds: Provided further, That individual projects shall only be eligible for one grant: Provided further, That all projects to be funded shall be approved by the Secretary of the Interior in consultation with the House and Senate Committees on Appropriations, and in consultation with the President's Committee on the Arts and Humanities prior to the commitment of Save America's Treasures grant funds and with the Advisory Council on Historic Preservation prior to the commitment of Preserve America grant funds: Provided further, That Save America's Treasures funds allocated for Federal projects, following approval, shall be available by transfer to appropriate accounts of individual agencies.

CONSTRUCTION

(INCLUDING TRANSFER OF FUNDS)

For construction, improvements, repair or replacement of physical facilities, including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, $301,291,000, to remain available until expended, of which $17,000,000 for modified water deliveries to Everglades National Park shall be derived by transfer from

unobligated balances in the ''Land Acquisition and State Assistance'' account for Everglades National Park land acquisitions, and of which $400,000 for the Mark Twain Boyhood Home National Historic Landmark shall be derived from the Historic Preservation Fund pursuant to 16 U.S.C. 470a: Provided, That none of the funds available to the National Park Service may be used to plan, design, or construct any partnership project with a total value in excess of $5,000,000, without advance approval of the House and Senate Committees on Appropriations: Provided further, That notwithstanding any other provision of law, the National Park Service may not accept donations or services associated with the planning, design, or construction of such new facilities without advance approval of the House and Senate Committees on Appropriations: Provided further, That funds provided under this heading for implementation of modified water deliveries to Everglades National Park shall be expended consistent with the requirements of the fifth proviso under this heading in Public Law 108–108:

Provided further, That funds provided under this heading for implementation of modified water deliveries to Everglades National Park shall be available for obligation only if matching funds are appropriated to the Army Corps of Engineers for the same purpose:

Provided further, That none of the funds provided under this heading for implementation of modified water deliveries to Everglades National Park shall be available for obligation if any of the funds appropriated to the Army Corps of Engineers for the purpose of implementing modified water deliveries, including finalizing detailed engineering and design documents for a bridge or series of bridges for the Tamiami Trail component of the project, becomes unavailable for obligation: Provided further, That funds provided under this heading for implementation of modified water deliveries to Everglades National Park shall be expended consistent with the requirements of the fifth proviso under this heading in Public Law 108–108: Provided further, That hereinafter notwithstanding any other provision of law, procurements for the Mount Rainier National Park Jackson Visitor Center replacement and the rehabilitation of Paradise Inn and Annex may be issued which include the full scope of the facility: Provided further, That the solicitation and contract shall contain the clause ''availability of funds'' found at 48 CFR 52.232.18: Provided further, That none of the funds provided in this or any other Act may be used for planning, design, or construction of any underground security screening or visitor contact facility at the Washington Monument until such facility has been approved in writing by the House and Senate Committees on Appropriations.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 2006 by 16 U.S.C. 460l–10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with the statutory authority applicable to the National Park Service, $74,824,000, to be derived from the Land and Water Conservation Fund and to remain available until expended, of which $30,000,000 is for the State assistance program including $1,587,000 for program administration: Provided, That none of the funds provided for the State assistance program may be used to establish a contingency fund.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 245 passenger motor vehicles, of which 199 shall be for replacement only, including not to exceed 193 for police-type use, 10 buses, and 8 ambulances: Provided, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than 3 calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project: Provided further, That in fiscal year 2006 and thereafter, appropriations available to the National Park Service may be used to maintain the following areas in Washington, District of Columbia: Jackson Place, Madison Place, and Pennsylvania Avenue between 15th and 17th Streets, Northwest.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.

If the Secretary of the Interior considers the decision of any value determination proceeding conducted under a National Park Service concession contract issued prior to November 13, 1998, to misinterpret or misapply relevant contractual requirements or their underlying legal authority, the Secretary may seek, within 180 days of any such decision, the de novo review of the value determination by the United States Court of Federal Claims, and that court may make an order affirming, vacating, modifying or correcting the determination.

In addition to other uses set forth in section 407(d) of Public Law 105–391, franchise fees credited to a sub-account shall be available for expenditure by the Secretary, without further appropriation, for use at any unit within the National Park System to extinguish or reduce liability for Possessory Interest or leasehold surrender interest. Such funds may only be used for this purpose to the extent that the benefiting unit anticipated franchise fee receipts over the term of the contract at that unit exceed the amount of funds used to extinguish or reduce liability. Franchise fees at the benefiting unit shall be credited to the sub-account of the originating unit over a period not to exceed the term of a single contract at the benefiting unit, in the amount of funds so expended to extinguish or reduce liability.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, biology, and the mineral and water resources of the United States, its territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332, and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law; and to publish and disseminate data relative to the foregoing activities; $976,035,000, of which $63,770,000 shall be available only for cooperation with States or municipalities for water resources investigations; of which $8,000,000 shall remain available until expended for satellite operations; of which $21,720,000 shall be available until September 30, 2007, for the operation and maintenance of facilities and deferred maintenance; of which $1,600,000 shall be available until expended for deferred maintenance and capital improvement projects that exceed $100,000 in cost; and of which $177,485,000 shall be available until September 30, 2007, for the biological research activity and the operation of the Cooperative Research Units: Provided, That none of the funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: Provided further, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

ADMINISTRATIVE PROVISIONS

From within the amount appropriated for activities of the United States Geological Survey such sums as are necessary shall be available for the purchase and replacement of passenger motor vehicles; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: Provided, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302 et seq.: Provided further, That the United States Geological Survey may enter into contracts or cooperative agreements directly with individuals or indirectly with institutions or nonprofit organizations, without regard to 41 U.S.C. 5, for the temporary or intermittent services of students or recent graduates, who shall be considered employees for the purpose of chapters 57 and 81 of title 5, United States Code, relating to compensation for travel and work injuries, and chapter 171 of title 28, United States Code, relating to tort claims, but shall not be considered to be Federal employees for any other purposes.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only, $153,651,000, of which $78,529,000 shall be available for royalty management activities; and an amount not to exceed $122,730,000, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for Outer Continental Shelf administrative activities performed by the Minerals Management Service (MMS) over and above the rates in effect on September 30, 1993, and from additional fees for Outer Continental Shelf administrative activities established after September 30, 1993: Provided, That to the extent $122,730,000 in additions to receipts are not realized from the sources of receipts stated above, the amount needed to reach $122,730,000 shall be credited to

this appropriation from receipts resulting from rental rates for Outer Continental Shelf leases in effect before August 5, 1993: Provided further, That $3,000,000 for computer acquisitions shall remain available until September 30, 2007: Provided further, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: Provided further, That notwithstanding any other provision of law, $15,000 under this heading shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of MMS concurred with the claimed refund due, to pay amounts owed to Indian allottees or tribes, or to correct prior unrecoverable erroneous payments: Provided further, That in fiscal year 2006 and thereafter, the MMS may under the royalty-in-kind program, or under its authority to transfer oil to the Strategic Petroleum Reserve, use a portion of the revenues from royalty-in-kind sales, without regard to fiscal year limitation, to pay for transportation to wholesale market centers or upstream pooling points, to process or otherwise dispose of royalty production taken in kind, and to recover MMS transportation costs, salaries, and other administrative costs directly related to the royalty-in-kind program: Provided further, That MMS shall analyze and document the expected return in advance of any royalty-in-kind sales to assure to the maximum extent practicable that royalty income under the program is equal to or greater than royalty income recognized under a comparable royalty-in-value program.

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $7,006,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $110,435,000: Provided, That the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected in fiscal year 2006 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: Provided further, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $188,014,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $10,000,000, to be derived from the Federal Expenses Share of the Fund, shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines, and for associated activities, through the Appalachian Clean Streams Initiative: Provided, That grants to minimum program States will be $1,500,000 per State in fiscal year 2006: Provided further, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available under title IV of Public Law 95–87 may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That amounts allocated under section 402(g)(2) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(g)(2)) as of September 30, 2005, but not appropriated as of that date, are reallocated to the allocation established in section 402(g)(3) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(g)(3)): Provided further, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects: Provided further, That amounts provided under this heading may be used for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

ADMINISTRATIVE PROVISION

With funds available for the Technical Innovation and Professional Services program in this Act, the Secretary may transfer title for computer hardware, software and other technical equipment to State and Tribal regulatory and reclamation programs.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001–2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, $1,991,490,000, to remain available until September 30, 2007 except as otherwise provided herein, of which not to exceed $86,462,000 shall be for welfare assistance payments and notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed $134,609,000 shall be available for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau prior to or during fiscal year 2006, as authorized by such Act, except that tribes and tribal organizations may use their tribal priority allocations for unmet indirect contract support costs of ongoing contracts, grants, or compacts, or annual funding agreements and for unmet welfare assistance costs; and of which not to exceed $464,585,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 2006, and shall remain available until September 30, 2007; and of which not to exceed $61,667,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, the Indian Self-Determination Fund, land records improvement, and the Navajo-Hopi Settlement Program: Provided, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed $44,718,000 within and only from such amounts made available for school operations shall be available to tribes and tribal organizations for administrative cost grants associated with ongoing grants entered into with the Bureau prior to or during fiscal year 2005 for the operation of Bureau-funded schools, and up to $500,000 within and only from such amounts made available for school operations shall be available for the transitional costs of initial administrative cost grants to tribes and tribal organizations that enter into grants for the operation on or after July 1, 2005, of Bureau-operated schools: Provided further, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 2007, may be transferred during fiscal year 2008 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: Provided further, That any such unobligated balances not so transferred shall expire on September 30, 2008.

CONSTRUCTION

For construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483, $275,637,000, to remain available until expended: Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: Provided further, That not to exceed 6 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: Provided further, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a nonreimbursable basis: Provided further, That for fiscal year 2006, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: Provided further, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: Provided further, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(b), with respect to organizational and financial management capabilities: Provided further, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2504(f): Provided further, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2507(e): Provided further, That in order to ensure timely completion of replacement school construction projects, the Secretary may assume control of a project and all funds related to the project, if, within eighteen months of the date of enactment of this Act, any tribe or tribal organization receiving funds appropriated in this Act or in any prior Act, has not completed the planning and design phase of the project and commenced construction of the replacement school: Provided further, That this Appropriation may be reimbursed from the Office of the Special Trustee for American Indians Appropriation for the appropriate share of construction costs for space expansion needed in agency offices to meet trust reform implementation.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $34,754,000, to remain available until expended, for implementation of Indian land and water claim settlements pursuant to Public Laws 99–264, 100–580, 101–618, 106–554, 107–331, and 108–34, and for implementation of other land and water rights settlements, of which $10,000,000 shall be available for payment to the Quinault Indian Nation pursuant to the terms of the North Boundary Settlement Agreement dated July 14, 2000, providing for the acquisition of perpetual conservation easements from the Nation.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

For the cost of guaranteed and insured loans, $6,348,000, of which $701,000 is for administrative expenses, as authorized by the Indian Financing Act of 1974, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $118,884,000.

ADMINISTRATIVE PROVISIONS

The Bureau of Indian Affairs may carry out the operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts and grants, either directly or in cooperation with States and other organizations.

Notwithstanding 25 U.S.C. 15, the Bureau of Indian Affairs may contract for services in support of the management, operation, and maintenance of the Power Division of the San Carlos Irrigation Project.

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase and replacement of passenger motor vehicles.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations or pooled overhead general administration (except facilities operations and maintenance) shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).

In the event any tribe returns appropriations made available by this Act to the Bureau of Indian Affairs for distribution to other tribes, this action shall not diminish the Federal Government's trust responsibility to that tribe, or the government-to-government relationship between the United States and that tribe, or that tribe's ability to access future appropriations.

Notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska.

Appropriations made available in this or any other Act for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996. No funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995. Funds made available under this Act may not be used to establish a charter school at a Bureau-funded school (as that term is defined in section 1146 of the Education Amendments of 1978 (25 U.S.C. 2026)), except that a charter school that is in existence on the date of the enactment of this Act and that has operated at a Bureau-funded school before September 1, 1999, may continue to operate during that period, but only if the charter school pays to the Bureau a pro rata share of funds to reimburse the Bureau for the use of the real and personal property (including buses and vans), the funds of the charter school are kept separate and apart from Bureau funds, and the Bureau does not assume any obligation for charter school programs of the State in which the school is located if the charter school loses such funding. Employees of Bureau-funded schools sharing a campus with a charter school and performing functions related to the charter school's operation and employees of a charter school shall not be treated as Federal employees for purposes of chapter 171 of title 28, United States Code.

Notwithstanding any other provision of law, including section 113 of title I of appendix C of Public Law 106–113, if a tribe or tribal organization in fiscal year 2003 or 2004 received indirect and administrative costs pursuant to a distribution formula based on section 5(f) of Public Law 101–301, the Secretary shall continue to distribute indirect and administrative cost funds to such tribe or tribal organization using the section 5(f) distribution formula.

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $76,883,000, of which: (1) $69,502,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, coral reef initiative activities, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $7,381,000 shall be available for salaries and expenses of the Office of Insular Affairs: Provided, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the Government Accountability Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 104–134: Provided further, That of the amounts provided for technical assistance, sufficient funds shall be made available for a grant to the Pacific Basin Development Council: Provided further, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: Provided further, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure with territorial participation and cost sharing to be determined by the Secretary based on the grantee's commitment to timely maintenance of its capital assets: Provided further, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

COMPACT OF FREE ASSOCIATION

For grants and necessary expenses, $5,362,000, to remain available until expended, as provided for in sections 221(a)(2), 221(b), and 233 of the Compact of Free Association for the Republic of Palau; and section 221(a)(2) of the Compacts of Free Association for the Government of the Republic of the Marshall Islands and the Federated States of Micronesia, as authorized by Public Law 99–658 and Public Law 108–188.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for management of the Department of the Interior, $127,183,000; of which $7,441,000 is to be derived from the Land and Water Conservation Fund and shall remain available until expended; of which not to exceed $8,500 may be for official reception and representation expenses; and of which up to $1,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines: Provided, That none of the funds in this Act or previous appropriations Acts may be used to establish reserves in the Working Capital Fund account other than for accrued annual leave and depreciation of equipment without prior approval of the House and Senate Committees on Appropriations.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901–6907), $236,000,000, of which not to exceed $400,000 shall be available for administrative expenses: Provided, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than $100.

CENTRAL HAZARDOUS MATERIALS FUND

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), $9,855,000, to remain available until expended: Provided, That hereafter, notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to section 107 or 113(f) of such Act, shall be credited to this account, to be available until expended without further appropriation: Provided further, That hereafter such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $55,440,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General, $39,116,000.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

For the operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $191,593,000, to remain available until expended, of which not to exceed $58,000,000 from this or any other Act, shall be available for historical accounting: Provided, That funds for trust management improvements and litigation support may, as needed, be transferred to or merged with the Bureau of Indian Affairs, ''Operation of Indian Programs'' account; the Office of the Solicitor,

''Salaries and Expenses'' account; and the Departmental Management, ''Salaries and Expenses'' account: Provided further, That funds made available to Tribes and Tribal organizations through contracts or grants obligated during fiscal year 2006, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: Provided further, That, notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: Provided further, That, notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 18 months and has a balance of $1.00 or less: Provided further, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder: Provided further, That not to exceed $50,000 is available for the Secretary to make payments to correct administrative errors of either disbursements from or deposits to Individual Indian Money or Tribal accounts after September 30, 2002: Provided further, That erroneous payments that are recovered shall be credited to and remain available in this account for this purpose.

INDIAN LAND CONSOLIDATION

For consolidation of fractional interests in Indian lands and expenses associated with redetermining and redistributing escheated interests in allotted lands, and for necessary expenses to carry out the Indian Land Consolidation Act of 1983, as amended, by direct expenditure or cooperative agreement, $34,514,000, to remain available until expended, and which may be transferred to the Bureau of Indian Affairs and Departmental Management accounts: Provided, That funds provided under this heading may be expended pursuant to the authorities contained in the provisos under the heading ''Office of Special Trustee for American Indians, Indian Land Consolidation'' of the Interior and Related Agencies Appropriations Act, 2001 (Public Law 106–291).

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment and restoration activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (Public Law 101–380) (33 U.S.C. 2701 et seq.), and Public Law 101–337, as amended (16 U.S.C. 19jj et seq.), $6,106,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: Provided, That existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: Provided further, That no programs funded with appropriated funds in the ''Departmental Management'', ''Office of the Solicitor'', and ''Office of Inspector General'' may be augmented through the Working Capital Fund: Provided further, That the annual budget justification for Departmental Management shall describe estimated Working Capital Fund charges to bureaus and offices, including the methodology on which charges are based: Provided further, That departures from the Working Capital Fund estimates contained in the Departmental Management budget justification shall be presented to the Committees on Appropriations for approval: Provided further, That the Secretary shall provide a semi-annual report to the Committees on Appropriations on reimbursable support agreements between the Office of the Secretary and the National Business Center and the bureaus and offices of the Department, including the amounts billed pursuant to such agreements.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: Provided, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: Provided further, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of wildland fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oil spills; for response and natural resource damage assessment activities related to actual oil spills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: Provided, That appropriations made in this title for wildland fire operations shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for wildland fire operations, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: Provided further, That for wildland fire operations, no funds shall be made available under this authority until the Secretary determines that funds appropriated for ''wildland fire operations'' shall be exhausted within 30 days: Provided further, That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible: Provided further, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 104. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore preleasing, leasing and related activities placed under restriction in the President's moratorium statement of June 12, 1998, in the areas of northern, central, and southern California; the North Atlantic; Washington and Oregon; and the eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.

SEC. 105. No funds provided in this title may be expended by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing and related activities in the eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997–2002.

SEC. 106. No funds provided in this title may be expended by the Department of the Interior to conduct oil and natural gas preleasing, leasing and related activities in the Mid-Atlantic and South Atlantic planning areas.

SEC. 107. Appropriations made in this Act under the headings Bureau of Indian Affairs and Office of Special Trustee for American Indians and any unobligated balances from prior appropriations Acts made under the same headings shall be available for expenditure or transfer for Indian trust management and reform activities, except that total funding for historical accounting activities shall not exceed amounts specifically designated in this Act for such purpose.

SEC. 108. Notwithstanding any other provision of law, in fiscal years 2006 through 2010, for the purpose of reducing the backlog of Indian probate cases in the Department of the Interior, the hearing requirements of chapter 10 of title 25, United States Code, are deemed satisfied by a proceeding conducted by an Indian probate judge, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing the appointments in the competitive service, for such period of time as the Secretary determines necessary: Provided, That the basic pay of an Indian probate judge so appointed may be fixed by the Secretary without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5, United States Code, governing the classification and pay of General Schedule employees, except that no such Indian probate judge may be paid at a level which exceeds the maximum rate payable for the highest grade of the General Schedule, including locality pay.

SEC. 109. Notwithstanding any other provision of law, the Secretary of the Interior is authorized to redistribute any Tribal Priority Allocation funds, including tribal base funds, to alleviate tribal funding inequities by transferring funds to address identified, unmet needs, dual enrollment, overlapping service areas or inaccurate distribution methodologies. No tribe shall receive a reduction in Tribal Priority Allocation funds of more than 10 percent in fiscal year 2006. Under circumstances of dual enrollment, overlapping service areas or inaccurate distribution methodologies, the 10 percent limitation does not apply.

SEC. 110. (a) For fiscal year 2006 and each succeeding fiscal year, any funds made available by this Act for the Southwest Indian Polytechnic Institute and Haskell Indian Nations University for postsecondary programs of the Bureau of Indian Affairs in excess of the amount made available for those postsecondary programs for fiscal year 2005 shall be allocated

in direct proportion to the need of the schools, as determined in accordance with the postsecondary funding formula adopted by the Office of Indian Education Programs.

(b) For fiscal year 2007 and each succeeding fiscal year, the Bureau of Indian Affairs shall use the postsecondary funding formula adopted by the Office of Indian Education Programs based on the needs of the Southwest Indian Polytechnic Institute and Haskell Indian Nations University to justify the amounts submitted as part of the budget request of the Department of the Interior.

SEC. 111. Notwithstanding any other provision of law, in conveying the Twin Cities Research Center under the authority provided by Public Law 104–134, as amended by Public Law 104–208, the Secretary may accept and retain land and other forms of reimbursement: Provided, That the Secretary may retain and use any such reimbursement until expended and without further appropriation: (1) for the benefit of the National Wildlife Refuge System within the State of Minnesota; and (2) for all activities authorized by Public Law 100–696; 16 U.S.C. 460zz.

SEC. 112. The Secretary of the Interior may use or contract for the use of helicopters or motor vehicles on the Sheldon and Hart National Wildlife Refuges for the purpose of capturing and transporting horses and burros. The provisions of subsection (a) of the Act of September 8, 1959 (18 U.S.C. 47(a)) shall not be applicable to such use. Such use shall be in accordance with humane procedures prescribed by the Secretary.

SEC. 113. Funds provided in this Act for Federal land acquisition by the National Park Service for Shenandoah Valley Battlefields National Historic District and Ice Age National Scenic Trail, and funds provided in division E of Public Law 108–447 (118 Stat. 3050) for land acquisition at the Niobrara National Scenic River, may be used for a grant to a State, a local government, or any other land management entity for the acquisition of lands without regard to any restriction on the use of Federal land acquisition funds provided through the Land and Water Conservation Fund Act of 1965 as amended.

SEC. 114. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 115. None of the funds made available in this Act may be used: (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when such pedestrian use is consistent with generally accepted safety standards.

SEC. 116. None of the funds in this or any other Act can be used to compensate the Special Master and the Special Master-Monitor, and all variations thereto, appointed by the United States District Court for the District of Columbia in the Cobell v. Norton litigation at an annual rate that exceeds 200 percent of the highest Senior Executive Service rate of pay for the Washington-Baltimore locality pay area.

SEC. 117. The Secretary of the Interior may use discretionary funds to pay private attorney fees and costs for employees and former employees of the Department of the Interior reasonably incurred in connection with Cobell v. Norton to the extent that such fees and costs are not paid by the Department of Justice or by private insurance. In no case shall the Secretary make payments under this section that would result in payment of hourly fees in excess of the highest hourly rate approved by the District Court for the District of Columbia for counsel in Cobell v. Norton.

SEC. 118. The United States Fish and Wildlife Service shall, in carrying out its responsibilities to protect threatened and endangered species of salmon, implement a system of mass marking of salmonid stocks, intended for harvest, that are released from Federally operated or Federally financed hatcheries including but not limited to fish releases of coho, chinook, and steelhead species. Marked fish must have a visible mark that can be readily identified by commercial and recreational fishers.

SEC. 119. (a) IN GENERAL.—Nothing in section 134 of the Department of the Interior and Related Agencies Appropriations Act, 2002 (115 Stat. 443) affects the decision of the United States Court of Appeals for the 10th Circuit in Sac and Fox Nation v. Norton, 240 F.3d 1250 (2001).

(b) USE OF CERTAIN INDIAN LAND.—Nothing in this section permits the conduct of gaming under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) on land described in section 123 of the Department of the Interior and Related Agencies Appropriations Act, 2001 (114 Stat. 944), or land that is contiguous to that land, regardless of whether the land or contiguous land has been taken into trust by the Secretary of the Interior.

SEC. 120. No funds appropriated for the Department of the Interior by this Act or any other Act shall be used to study or implement any plan to drain Lake Powell or to reduce the water level of the lake below the range of water levels required for the operation of the Glen Canyon Dam.

SEC. 121. Notwithstanding the limitation in subparagraph (2)(B) of section 18(a) of the Indian Gaming Regulatory Act (25 U.S.C. 2717(a)), the total amount of all fees imposed by the National Indian Gaming Commission for fiscal year 2007 shall not exceed $12,000,000.

SEC. 122. Notwithstanding any implementation of the Department of the Interior's trust reorganization or reengineering plans, or the implementation of the ''To Be'' Model, funds appropriated for fiscal year 2006 shall be available to the tribes within the California Tribal Trust Reform Consortium and to the Salt River Pima-Maricopa Indian Community, the Confederated Salish and Kootenai Tribes of the Flathead Reservation and the Chippewa Cree Tribe of the Rocky Boys Reservation through the same methodology as funds were distributed in fiscal year 2003. This Demonstration Project shall continue to operate separate and apart from the Department of the Interior's trust reform and reorganization and the Department shall not impose its trust management infrastructure upon or alter the existing trust resource management systems of the above referenced tribes having a self-governance compact and operating in accordance with the Tribal Self-Governance Program set forth in 25 U.S.C. 458aa–458hh: Provided, That the California Trust Reform Consortium and any other participating tribe agree to carry out their responsibilities under the same written and implemented fiduciary standards as those being carried by the Secretary of the Interior: Provided further, That they demonstrate to the satisfaction of the Secretary that they have the capability to do so: Provided further, That the Department shall provide funds to the tribes in an amount equal to that required by 25 U.S.C. 458cc(g)(3), including funds specifically or functionally related to the provision of trust services to the tribes or their members.

SEC. 123. Notwithstanding any provision of law, including 42 U.S.C. 4321 et. seq., nonrenewable grazing permits authorized in the Jarbidge Field Office, Bureau of Land Management within the past 9 years, shall be renewed. The Animal Unit Months contained in the most recently expired nonrenewable grazing permit, authorized between March 1, 1997, and February 28, 2003, shall continue in effect under the renewed permit. Nothing in this section shall be deemed to extend the nonrenewable permits beyond the standard 1-year term.

SEC. 124. Notwithstanding any other provision of law, the Secretary of the Interior is authorized to acquire lands, waters, or interests therein including the use of all or part of any pier, dock, or landing within the State of New York and the State of New Jersey, for the purpose of operating and maintaining facilities in the support of transportation and accommodation of visitors to Ellis, Governors, and Liberty Islands, and of other program and administrative activities, by donation or with appropriated funds, including franchise fees (and other monetary consideration), or by exchange; and the Secretary is authorized to negotiate and enter into leases, subleases, concession contracts or other agreements for the use of such facilities on such terms and conditions as the Secretary may determine reasonable.

SEC. 125. Upon the request of the permittee for the Clark Mountain Allotment lands adjacent to the Mojave National Preserve, the Secretary shall also issue a special use permit for that portion of the grazing allotment located within the Preserve. The special use permit shall be issued with the same terms and conditions as the most recently-issued permit for that allotment and the Secretary shall consider the permit to be one transferred in accordance with section 325 of Public Law 108–108.

SEC. 126. Notwithstanding any other provision of law, the National Park Service final winter use rules published in Part VII of the Federal Register for November 10, 2004, 69 Fed. Reg. 65348 et seq., shall be in force and effect for the winter use season of 2005–2006 that commences on or about December 15, 2005.

SEC. 127. Section 1121(d) of the Education Amendments of 1978 (25 U.S.C. 2001(d)) is amended by striking paragraph (7) and inserting the following:

''(7) APPROVAL OF INDIAN TRIBES.—The Secretary shall not terminate, close, consolidate, contract, transfer to another authority, or take any other action relating to an elementary school or secondary school (or any program of such a school) of an Indian tribe without the approval of the governing body of any Indian tribe that would be affected by such an action.''.

SEC. 128. Section 108(e) of the Act entitled ''An Act to establish the Kalaupapa National Historical Park in the State of Hawaii, and for other purposes'' (16 U.S.C. 410jj–7) is amended by striking ''twenty-five years from'' and inserting ''on the date that is 45 years after''.

Sec. 129. Section 402(b) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1232(b)) is amended by striking ''September 30, 2005,'' and inserting ''June 30, 2006,''.

SEC. 130. None of the funds in this or any other Act may be used to set up Centers of Excellence and Partnership Skills Bank training without prior approval of the House and Senate Committees on Appropriations.

SEC. 131. Section 114 of the Department of the Interior and Related Agencies Appropriations Act, 2003 (16 U.S.C. 460bb–3 note; 117 Stat. 239; division F of Public Law 108–7), is amended—

(1) in the second sentence, by inserting '', including utility expenses of the National Park Service or lessees of the National Park Service'' after ''Fort Baker properties''; and

(2) by inserting between the first and second sentences the following: ''In furtherance of a lease entered into under the first sentence, the Secretary of the Interior or a lessee may impose

fees on overnight lodgers for the purpose of covering the cost of providing utilities and transportation services at Fort Baker properties at a rate not to exceed the annual cost of providing these services.''.

SEC. 132. (a) Section 813(a) of the Federal Lands Recreation Enhancement Act (16 U.S.C. 6812(a)) is amended by striking ''and (i)'' and inserting ''and (i) (except for paragraph (1)(C))''.

(b) Section 4(i)(1)(C)(i) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a(i)(1)(C)(i)) is amended—

(1) by striking ''Notwithstanding subparagraph (A)'' and all that follows through ''or section 107'' and inserting ''Notwithstanding section 107''; and

(2) by striking ''account under subparagraph (A)'' and inserting ''account under section 807(a) of the Federal Lands Recreation Enhancement Act (16 U.S.C. 6806(a))''.

(c) Except as provided in this section, section 4(i)(1)(C) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a(i)(1)(C)) shall be applied and administered as if section 813(a) of the Federal Lands Recreation Enhancement Act (16 U.S.C. 6812(a)) (and the amendments made by that section) had not been enacted.

(d) This section and the amendments made by this section take effect as of December 8, 2004.

SEC. 133. Section 5(c) of the National Trails System Act (16 U.S.C. 1244(c)) is amended by adding at the end the following:

''(43)(A) The Captain John Smith Chesapeake National Historic Watertrail, a series of routes extending approximately 3,000 miles along the Chesapeake Bay and the tributaries of the Chesapeake Bay in the States of Virginia, Maryland, Pennsylvania, and Delaware and the District of Columbia that traces Captain John Smith's voyages charting the land and waterways of the Chesapeake Bay and the tributaries of the Chesapeake Bay.

''(B) The study shall be conducted in consultation with Federal, State, regional, and local agencies and representatives of the private sector, including the entities responsible for administering—

''(i) the Chesapeake Bay Gateways and Watertrails Network authorized under the Chesapeake Bay Initiative Act of 1998 (16 U.S.C. 461 note; title V of Public Law 105–312); and

''(ii) the Chesapeake Bay Program authorized under section 117 of the Federal Water Pollution Control Act (33 U.S.C. 1267).

''(C) The study shall include an extensive analysis of the potential impacts the designation of the trail as a national historic watertrail is likely to have on land and water, including docks and piers, along the proposed route or bordering the study route that is privately owned at the time the study is conducted.''.

Sec. 134. (a) Notwithstanding section 508(c) of the Omnibus Parks and Public Lands Management Act of 1996 (40 U.S.C. 8903 note; Public Law 104–333) there is hereby appropriated to the Secretary of the Interior $10,000,000, to remain available until expended, for necessary expenses for the Memorial to Martin Luther King, Jr. authorized in that Act.

(b) The funds appropriated in subsection (a) shall only be made available after the entire amount in matched by non-federal contributions (not including in-kind contributions) that are pledged and received after July 26, 2005, but prior to the date specified in subsection(c).

(c) Section 508(b)(2) of the Omnibus Parks and Public Lands Management Act of 1996 is amended by striking ''November 12, 2006'' and inserting ''November 12, 2008''.

TITLE II—ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

For science and technology, including research and development activities, which shall include research and development activities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended; necessary expenses for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; procurement of laboratory equipment and supplies; other operating expenses in support of research and development; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project, $741,722,000, to remain available until September 30, 2007.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For environmental programs and management, including necessary expenses, not otherwise provided for, for personnel and related costs and travel expenses, including uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901–5902; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376; hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase of reprints; library memberships in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project; and not to exceed $19,000 for official reception and representation expenses, $2,381,752,000, to remain available until September 30, 2007, including administrative costs of the brownfields program under the Small Business Liability Relief and Brownfields Revitalization Act of 2002.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project, $37,455,000, to remain available until September 30, 2007.

BUILDINGS AND FACILITIES

For construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or for use by, the Environmental Protection Agency, $40,218,000, to remain available until expended.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended, including sections 111(c)(3), (c)(5), (c)(6), and (e)(4) (42 U.S.C. 9611), and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project; $1,260,621,000, to remain available until expended, consisting of such sums as are available in the Trust Fund upon the date of enactment of this Act as authorized by section 517(a) of the Superfund Amendments and Reauthorization Act of 1986 (SARA) and up to $1,260,621,000 as a payment from general revenues to the Hazardous Substance Superfund for purposes as authorized by section 517(b) of SARA, as amended: Provided, That funds appropriated under this heading may be allocated to other Federal agencies in accordance with section 111(a) of CERCLA: Provided further, That of the funds appropriated under this heading, $13,536,000 shall be transferred to the ''Office of Inspector General'' appropriation to remain available until September 30, 2007, and $30,606,000 shall be transferred to the ''Science and Technology'' appropriation to remain available until September 30, 2007.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

For necessary expenses to carry out leaking underground storage tank cleanup activities authorized by section 205 of the Superfund Amendments and Reauthorization Act of 1986, and for construction, alteration, repair, rehabilitation, and renovation of facilities, not to exceed $85,000 per project, $73,027,000, to remain available until expended.

OIL SPILL RESPONSE

For expenses necessary to carry out the Environmental Protection Agency's responsibilities under the Oil Pollution Act of 1990, $15,863,000, to be derived from the Oil Spill Liability trust fund, to remain available until expended.

STATE AND TRIBAL ASSISTANCE GRANTS

(INCLUDING RESCISSIONS OF FUNDS)

For environmental programs and infrastructure assistance, including capitalization grants for State revolving funds and performance partnership grants, $3,261,696,000, to remain available until expended, of which $900,000,000 shall be for making capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, as amended (the ''Act''); of which up to $50,000,000 shall be available for loans, including interest free loans as authorized by 33 U.S.C. 1383(d)(1)(A), to municipal, inter-municipal, interstate, or State agencies or nonprofit entities for projects that provide treatment for or that minimize sewage or stormwater discharges using one or more approaches which include, but are not limited to, decentralized or distributed stormwater controls, decentralized wastewater treatment, low-impact development practices, conservation easements, stream buffers, or wetlands restoration; $850,000,000 shall be for capitalization grants for the Drinking Water State Revolving Funds under section 1452 of the Safe Drinking Water Act, as amended, except that, notwithstanding section 1452(n) of the Safe Drinking Water Act, as amended, hereafter none of the funds made available under this heading in this or previous appropriations Acts shall be reserved by the Administrator for health effects studies on drinking water contaminants; $50,000,000 shall be for architectural, engineering, planning, design, construction and related activities in connection with the construction of high priority water and wastewater facilities in the area of the United States-Mexico Border, after consultation with the appropriate border commission; $35,000,000 shall be for grants to the State of Alaska to address drinking water and waste infrastructure needs of rural and Alaska Native Villages: Provided, That, of these funds: (1) the State of Alaska shall provide a match of 25 percent; (2) no more than 5 percent of the funds may be used for administrative and overhead expenses; and (3) not later than October 1, 2005 the State of Alaska shall make awards consistent with the State-wide priority list established in 2004 for all water, sewer, waste disposal, and similar projects carried out by the State of Alaska that are funded under section 221 of the Federal Water Pollution Control Act (33 U.S.C. 1301) or the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) which shall allocate not less than 25 percent of the funds provided for projects in regional hub communities; $200,000,000 shall be for making special project grants for the construction of drinking water, wastewater and storm water infrastructure and for water quality protection in accordance with the terms and conditions specified for such grants in the joint explanatory statement of the managers accompanying this Act, and, for purposes of these grants, each grantee shall contribute not less than 45 percent of the cost of the project unless the grantee is approved for a waiver by the Agency; $90,000,000 shall be to carry out section 104(k) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980

(CERCLA), as amended, including grants, interagency agreements, and associated program support costs; $7,000,000 for making cost-shared grants for school bus retrofit and replacement projects that reduce diesel emissions; and $1,129,696,000 shall be for grants, including associated program support costs, to States, federally recognized tribes, interstate agencies, tribal consortia, and air pollution control agencies for multi-media or single media pollution prevention, control and abatement and related activities, including activities pursuant to the provisions set forth under this heading in Public Law 104–134, and for making grants under section 103 of the Clean Air Act for particulate matter monitoring and data collection activities subject to terms and conditions specified by the Administrator, of which $50,000,000 shall be for carrying out section 128 of CERCLA, as amended, $20,000,000 shall be for Environmental Information Exchange Network grants, including associated program support costs, and $16,856,000 shall be for making competitive targeted watershed grants: Provided further, That for fiscal year 2006 and thereafter, State authority under section 302(a) of Public Law 104–182 shall remain in effect: Provided further, That notwithstanding section 603(d)(7) of the Federal Water Pollution Control Act, the limitation on the amounts in a State water pollution control revolving fund that may be used by a State to administer the fund shall not apply to amounts included as principal in loans made by such fund in fiscal year 2006 and prior years where such amounts represent costs of administering the fund to the extent that such amounts are or were deemed reasonable by the Administrator, accounted for separately from other assets in the fund, and used for eligible purposes of the fund, including administration: Provided further, That for fiscal year 2006, and notwithstanding section 518(f) of the Act, the Administrator is authorized to use the amounts appropriated for any fiscal year under section 319 of that Act to make grants to Indian tribes pursuant to sections 319(h) and 518(e) of that Act: Provided further, That for fiscal year 2006, notwithstanding the limitation on amounts in section 518(c) of the Act, up to a total of 1½ percent of the funds appropriated for State Revolving Funds under title VI of that Act may be reserved by the Administrator for grants under section 518(c) of that Act: Provided further, That no funds provided by this legislation to address the water, wastewater and other critical infrastructure needs of the colonias in the United States along the United States-Mexico border shall be made available to a county or municipal government unless that government has established an enforceable local ordinance, or other zoning rule, which prevents in that jurisdiction the development or construction of any additional colonia areas, or the development within an existing colonia the construction of any new home, business, or other structure which lacks water, wastewater, or other necessary infrastructure: Provided further, That, notwithstanding this or any other appropriations Act, heretofore and hereafter, after consultation with the House and Senate Committees on Appropriations and for the purpose of making technical corrections, the Administrator is authorized to award grants under this heading to entities and for purposes other than those listed in the joint explanatory statements of the managers accompanying the Agency's appropriations Acts for the construction of drinking water, wastewater and stormwater infrastructure and for water quality protection.

In addition, $80,000,000 is hereby rescinded from prior year funds in appropriation accounts available to the Environmental Protection Agency: Provided, That such rescissions shall be taken solely from amounts associated with grants, contracts, and interagency agreements whose availability, under the original project period for such grant or interagency agreement or contract period for such contract, has expired: Provided further, That such rescissions shall include funds that were appropriated under this heading for special project grants in fiscal year 2000 or earlier that have not been obligated on an approved grant by September 1, 2006.

ADMINISTRATIVE PROVISIONS

For fiscal year 2006, notwithstanding 31 U.S.C. 6303(1) and 6305(1), the Administrator of the Environmental Protection Agency, in carrying out the Agency's function to implement directly Federal environmental programs required or authorized by law in the absence of an acceptable tribal program, may award cooperative agreements to federally-recognized Indian Tribes or Intertribal consortia, if authorized by their member Tribes, to assist the Administrator in implementing Federal environmental programs for Indian Tribes required or authorized by law, except that no such cooperative agreements may be awarded from funds designated for State financial assistance agreements.

The Administrator of the Environmental Protection Agency is authorized to collect and obligate pesticide registration service fees in accordance with section 33 of the Federal Insecticide, Fungicide, and Rodenticide Act (as added by subsection (f)(2) of the Pesticide Registration Improvement Act of 2003), as amended.

Notwithstanding CERCLA 104(k)(4)(B)(i)(IV), appropriated funds for fiscal year 2006 may be used to award grants or loans under section 104(k) of CERCLA to eligible entities that satisfy all of the elements set forth in CERCLA section 101(40) to qualify as a bona fide prospective purchaser except that the date of acquisition of the property was prior to the date of enactment of the Small Business Liability Relief and Brownfield Revitalization Act of 2001.

For fiscal years 2006 through 2011, the Administrator may, after consultation with the Office of Personnel Management, make not to exceed five appointments in any fiscal year under the authority provided in 42 U.S.C. 209 for the Office of Research and Development.

Beginning in fiscal year 2006 and thereafter, and notwithstanding section 306 of the Toxic Substances Control Act, the Federal share of the cost of radon program activities implemented with Federal assistance under section 306 shall not exceed 60 percent in the third and subsequent grant years.

GENERAL PROVISIONS, ENVIRONMENTAL PROTECTION AGENCY

SEC. 201. None of the funds made available by this Act may be used by the Administrator of the Environmental Protection Agency to accept, consider or rely on third-party intentional dosing human toxicity studies for pesticides, or to conduct intentional dosing human toxicity studies for pesticides until the Administrator issues a final rulemaking on this subject. The Administrator shall allow for a period of not less than 90 days for public comment on the Agency's proposed rule before issuing a final rule. Such rule shall not permit the use of pregnant women, infants or children as subjects; shall be consistent with the principles proposed in the 2004 report of the National Academy of Sciences on intentional human dosing and the principles of the Nuremberg Code with respect to human experimentation; and shall establish an independent Human Subjects Review Board. The final rule shall be issued no later than 180 days after enactment of this Act.

SEC. 202. None of the funds made available by this Act may be used in contravention of, or to delay the implementation of, Executive Order No. 12898 of February 11, 1994 (59 Fed. Reg. 7629; relating to Federal actions to address environmental justice in minority populations and low-income populations).

SEC. 203. None of the funds made available in this Act may be used to finalize, issue, implement, or enforce the proposed policy of the Environmental Protection Agency entitled ''National Pollutant Discharge Elimination System (NPDES) Permit Requirements for Municipal Wastewater Treatment During Wet Weather Conditions'', dated November 3, 2003 (68 Fed. Reg. 63042).

SEC. 204. None of the funds made available in this Act may be used in contravention of 15 U.S.C. 2682(c)(3) or to delay the implementation of that section.

SEC. 205. None of the funds provided in this Act or any other Act may be used by the Environmental Protection Agency to publish proposed or final regulations pursuant to the requirements of section 428(b) of division G of Public Law 108–199 until the Administrator of the Environmental Protection Agency, in coordination with other appropriate Federal agencies, has completed and published a technical study to look at safety issues, including the risk of fire and burn to consumers in use, associated with compliance with the regulations. Not later than six months after the date of enactment of this Act, the Administrator shall complete and publish the technical study.

TITLE III—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $283,094,000, to remain available until expended: Provided, That of the funds provided, $60,267,000 is for the forest inventory and analysis program.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, including treatments of pests, pathogens, and invasive or noxious plants and for restoring and rehabilitating forests damaged by pests or invasive plants, cooperative forestry, and education and land conservation activities and conducting an international program as authorized, $283,577,000, to remain available until expended, as authorized by law of which $57,380,000 is to be derived from the Land and Water Conservation Fund: Provided, That none of the funds provided under this heading for the acquisition of lands or interests in lands shall be available until the Forest Service notifies the House Committee on Appropriations and the Senate Committee on Appropriations, in writing, of specific contractual and grant details including the non-Federal cost share: Provided further, That of the funds provided herein, $1,000,000 shall be provided to Custer County, Idaho, for economic development in accordance with the Central Idaho Economic Development and Recreation Act, subject to authorization: Provided further, That notwithstanding any other provision of law, of the funds provided under this heading, an advance lump sum payment of $1,000,000 shall be made available to Madison County, NC, for a forest recreation center, and a similar $500,000 payment shall be made available to Folkmoot USA in Haywood County, NC, for Appalachian folk programs including forest crafts.

NATIONAL FOREST SYSTEM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, $1,424,348,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l–6a(i)): Provided, That unobligated balances under this heading available at the start of fiscal year 2006 shall be displayed by budget line item in the fiscal year 2007 budget justification: Provided further, That of the funds provided under this heading for Forest Products, $5,000,000 shall be allocated to the Alaska Region, in addition to its normal allocation for the purposes of preparing additional

timber for sale, to establish a 3-year timber supply and such funds may be transferred to other appropriations accounts as necessary to maximize accomplishment: Provided further, That within funds available for the purpose of implementing the Valles Caldera Preservation Act, notwithstanding the limitations of section 107(e)(2) of the Valles Caldera Preservation Act (Public Law 106–248), for fiscal year 2006, the Chair of the Board of Trustees of the Valles Caldera Trust may receive, upon request, compensation for each day (including travel time) that the Chair is engaged in the performance of the functions of the Board, except that compensation shall not exceed the daily equivalent of the annual rate in effect for members of the Senior Executive Service at the ES–I level, and shall be in addition to any reimbursement for travel, subsistence and other necessary expenses incurred by the Chair in the performance of the Chair's duties.

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, hazardous fuels reduction on or adjacent to such lands, and for emergency rehabilitation of burned-over National Forest System lands and water, $1,779,395,000, to remain available until expended: Provided, That such funds including unobligated balances under this heading, are available for repayment of advances from other appropriations accounts previously transferred for such purposes: Provided further, That such funds shall be available to reimburse State and other cooperating entities for services provided in response to wildfire and other emergencies or disasters to the extent such reimbursements by the Forest Service for non-fire emergencies are fully repaid by the responsible emergency management agency: Provided further, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 2005 shall be transferred to the fund established pursuant to section 3 of Public Law 71–319 (16 U.S.C. 576 et seq.) if necessary to reimburse the fund for unpaid past advances: Provided further, That, notwithstanding any other provision of law, $8,000,000 of funds appropriated under this appropriation shall be used for Fire Science Research in support of the Joint Fire Science Program: Provided further, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research: Provided further, That funds provided shall be available for emergency rehabilitation and restoration, hazardous fuels reduction activities in the urban-wildland interface, support to Federal emergency response, and wildfire suppression activities of the Forest Service: Provided further, That of the funds provided, $286,000,000 is for hazardous fuels reduction activities, $6,281,000 is for rehabilitation and restoration, $23,219,000 is for research activities and to make competitive research grants pursuant to the Forest and Rangeland Renewable Resources Research Act, as amended (16 U.S.C. 1641 et seq.), $46,500,000 is for State fire assistance, $7,889,000 is for volunteer fire assistance, $15,000,000 is for forest health activities on Federal lands and $10,000,000 is for forest health activities on State and private lands: Provided further, That amounts in this paragraph may be transferred to the ''State and Private Forestry'', ''National Forest System'', and ''Forest and Rangeland Research'' accounts to fund State fire assistance, volunteer fire assistance, forest health management, forest and rangeland research, vegetation and watershed management, heritage site rehabilitation, and wildlife and fish habitat management and restoration: Provided further, That transfers of any amounts in excess of those authorized in this paragraph, shall require approval of the House and Senate Committees on Appropriations in compliance with reprogramming procedures contained in the report accompanying this Act: Provided further, That funds provided under this heading for hazardous fuels treatments may be transferred to and made a part of the ''National Forest System'' account at the sole discretion of the Chief of the Forest Service thirty days after notifying the House and the Senate Committees on Appropriations: Provided further, That the costs of implementing any cooperative agreement between the Federal Government and any non-Federal entity may be shared, as mutually agreed on by the affected parties: Provided further, That in addition to funds provided for State Fire Assistance programs, and subject to all authorities available to the Forest Service under the State and Private Forestry Appropriation, up to $15,000,000 may be used on adjacent non-Federal lands for the purpose of protecting communities when hazard reduction activities are planned on national forest lands that have the potential to place such communities at risk: Provided further, That included in funding for hazardous fuel reduction is $5,000,000 for implementing the Community Forest Restoration Act, Public Law 106–393, title VI, and any portion of such funds shall be available for use on non-Federal lands in accordance with authorities available to the Forest Service under the State and Private Forestry Appropriation: Provided further, That the Secretary of the Interior and the Secretary of Agriculture may authorize the transfer of funds appropriated for wildland fire management, in an aggregate amount not to exceed $9,000,000, between the Departments when such transfers would facilitate and expedite jointly funded wildland fire management programs and projects: Provided further, That of the funds provided for hazardous fuels reduction, not to exceed $5,000,000, may be used to make grants, using any authorities available to the Forest Service under the State and Private Forestry appropriation, for the purpose of creating incentives for increased use of biomass from national forest lands: Provided further, That funds designated for wildfire suppression shall be assessed for indirect costs on the same basis as such assessments are calculated against other agency programs.

CAPITAL IMPROVEMENT AND MAINTENANCE

For necessary expenses of the Forest Service, not otherwise provided for, $441,178,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair, decommissioning, and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: Provided, That up to $15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed: Provided further, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided on each decommissioning project: Provided further, That of funds provided, $3,000,000 is provided for needed rehabilitation and restoration work at Jarbidge Canyon, Nevada: Provided further, That the Secretary of Agriculture may authorize the transfer of up to $1,350,000 as necessary to the Department of the Interior, Bureau of Land Management and Fish and Wildlife Service when such transfers would facilitate and expedite needed rehabilitation work on Bureau of Land Management lands, and for the Fish and Wildlife Service to implement terms and conditions identified in the Biological Opinion.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $42,500,000, to be derived from the Land and Water Conservation Fund and to remain available until expended: Provided further, That, subject to valid existing rights, all land and interests in land acquired in the Thunder Mountain area of the Payette National Forest (including patented claims and land that are encumbered by unpatented claims or previously appropriated funds under this section, or otherwise relinquished by a private party) are withdrawn from mineral entry or appropriation under Federal mining laws, and from leasing claims under Federal mineral and geothermal leasing laws.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,069,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities, and for authorized expenditures from funds deposited by non-Federal parties pursuant to Land Sale and Exchange Acts, pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $64,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES

For necessary expenses of the Forest Service to manage Federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96–487), $5,067,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of passenger motor vehicles; acquisition of passenger motor vehicles from excess sources, and hire of such vehicles; purchase, lease, operation, maintenance, and acquisition of aircraft from excess sources to maintain the operable fleet for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land,

waters, and interests therein pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions upon notification of the House and Senate Committees on Appropriations and if and only if all previously appropriated emergency contingent funds under the heading ''Wildland Fire Management'' have been released by the President and apportioned and all wildfire suppression funds under the heading ''Wildland Fire Management'' are obligated.

The first transfer of funds into the Wildland Fire Management account shall include unobligated funds, if available, from the Land Acquisition account and the Forest Legacy program within the State and Private Forestry account.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b, except that in fiscal year 2006 the Forest Service may transfer funds to the ''National Forest System'' account from other agency accounts to enable the agency's law enforcement program to pay full operating costs including overhead.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the reprogramming procedures contained in the report accompanying this Act.

Not more than $72,646,000 of funds available to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture. Nothing in this paragraph shall prohibit or limit the use of reimbursable agreements requested by the Forest Service in order to obtain services from the Department of Agriculture's National Information Technology Center.

Funds available to the Forest Service shall be available to conduct a program of not less than $2,500,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps.

Of the funds available to the Forest Service, $4,000 is available to the Chief of the Forest Service for official reception and representation expenses.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, $3,000,000 may be advanced in a lump sum to the National Forest Foundation to aid conservation partnership projects in support of the Forest Service mission, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That of the Federal funds made available to the Foundation, no more than $300,000 shall be available for administrative expenses: Provided further, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: Provided further, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: Provided further, That authorized investments of Federal funds held by the Foundation may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98–244, $2,650,000 of the funds available to the Forest Service shall be advanced to the National Fish and Wildlife Foundation in a lump sum to aid cost-share conservation projects, without regard to when expenses are incurred, on or benefitting National Forest System lands or related to Forest Service programs: Provided, That such funds shall be matched on at least a one-for-one basis by the Foundation or its subrecipients.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed $500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters. Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.

Any appropriations or funds available to the Forest Service may be used for necessary expenses in the event of law enforcement emergencies as necessary to protect natural resources and public or employee safety: Provided, That such amounts shall not exceed $500,000.

An eligible individual who is employed in any project funded under title V of the Older American Act of 1965 (42 U.S.C. 3056 et seq.) and administered by the Forest Service shall be considered to be a Federal employee for purposes of chapter 171 of title 28, United States Code.

Any funds appropriated to the Forest Service may be used to meet the non-Federal share requirement in section 502(c) of the Older American Act of 1965 (42 U.S.C. 3056(c)(2)).

For each fiscal year through 2009, funds available to the Forest Service in this Act may be used for the purpose of expenses associated with primary and secondary schooling for dependents of agency personnel stationed in Puerto Rico prior to the date of enactment of this Act, who are subject to transfer and reassignment to other locations in the United States, at a cost not in excess of those authorized for the Department of Defense for the same area, when it is determined by the Chief of the Forest Service that public schools available in the locality are unable to provide adequately for the education of such dependents.

Funds available to the Forest Service, not to exceed $35,000,000, shall be assessed for the purpose of performing facilities maintenance. Such assessments shall occur using a square foot rate charged on the same basis the agency uses to assess programs for payment of rent, utilities, and other support services.

In support of management of the National Wildlife Refuge System, Lot 6C of United States Survey 2538–A, containing 2.39 acres and the residential triplex situated thereon, located in Kodiak, Alaska, is hereby transferred from the USDA Forest Service to the U.S. Fish and Wildlife Service.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $2,732,298,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: Provided, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That up to $18,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: Provided further, That $507,021,000 for contract medical care shall remain available for obligation until September 30, 2007: Provided further, That of the funds provided, up to $27,000,000, to remain available until expended, shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: Provided further, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: Provided further, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): Provided further, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available until expended: Provided further, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: Provided further, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed $268,683,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year 2006, of which not to exceed $5,000,000 may be used for contract support costs associated with new or expanded self-determination contracts, grants, self-governance compacts or annual funding agreements: Provided further, That the Bureau of Indian Affairs may collect from the Indian Health Service and tribes and tribal organizations operating health facilities pursuant to Public Law 93–638 such individually identifiable health information relating to disabled children as may be necessary for the purpose of carrying out its functions under the Individuals with Disabilities Education Act, 20 U.S.C. 1400, et seq.: Provided further, That of

the amounts provided to the Indian Health Service, $15,000,000 is provided for alcohol control, enforcement, prevention, treatment, sobriety and wellness, and education in Alaska, to be distributed in accordance with the instruction provided in Senate Report 109–80: Provided further, That none of the funds may be used for tribal courts or tribal ordinance programs or any program that is not directly related to alcohol control, enforcement, prevention, treatment, or sobriety: Provided further, That no more than 15 percent may be used by any entity receiving funding for administrative overhead including indirect costs.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $358,485,000, to remain available until expended: Provided, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities: Provided further, That not to exceed $500,000 shall be used by the Indian Health Service to purchase TRANSAM equipment from the Department of Defense for distribution to the Indian Health Service and tribal facilities: Provided further, That none of the funds appropriated to the Indian Health Service may be used for sanitation facilities construction for new homes funded with grants by the housing programs of the United States Department of Housing and Urban Development: Provided further, That not to exceed $1,000,000 from this account and the ''Indian Health Services'' account shall be used by the Indian Health Service to obtain ambulances for the Indian Health Service and tribal facilities in conjunction with an existing interagency agreement between the Indian Health Service and the General Services Administration: Provided further, That notwithstanding any other provision of law, the Indian Health Service is authorized to construct a replacement health care facility in Nome, Alaska, on land owned by the Norton Sound Health Corporation: Provided further, That not to exceed $500,000 shall be placed in a Demolition Fund, available until expended, to be used by the Indian Health Service for demolition of Federal buildings.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefor as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities.

In accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation. Notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended.

Funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation.

None of the funds made available to the Indian Health Service in this Act shall be used for any assessments or charges by the Department of Health and Human Services unless identified in the budget justification and provided in this Act, or approved by the House and Senate Committees on Appropriations through the reprogramming process. Personnel ceilings may not be imposed on the Indian Health Service nor may any action be taken to reduce the full time equivalent level of the Indian Health Service below the level in fiscal year 2002 adjusted upward for the staffing of new and expanded facilities, funding provided for staffing at the Lawton, Oklahoma hospital in fiscal years 2003 and 2004, critical positions not filled in fiscal year 2002, and staffing necessary to carry out the intent of Congress with regard to program increases.

Notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title V of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title V of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation.

None of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law.

With respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment. The reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding. Such amounts shall remain available until expended.

Reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance.

The appropriation structure for the Indian Health Service may not be altered without advance notification to the House and Senate Committees on Appropriations.

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For necessary expenses for the National Institute of Environmental Health Sciences in carrying out activities set forth in section 311(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, and section 126(g) of the Superfund Amendments and Reauthorization Act of 1986, $80,289,000.

AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

TOXIC SUBSTANCES AND ENVIRONMENTAL PUBLIC HEALTH

For necessary expenses for the Agency for Toxic Substances and Disease Registry (ATSDR) in carrying out activities set forth in sections 104(i), 111(c)(4), and 111(c)(14) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended; section 118(f) of the Superfund Amendments and Reauthorization Act of 1986 (SARA), as amended; and section 3019 of the Solid Waste Disposal Act, as amended, $76,024,000, of which up to $1,500,000, to remain available until expended, is for Individual Learning Accounts for full-time equivalent employees of the Agency for Toxic Substances and Disease Registry: Provided, That notwithstanding any other provision of law, in lieu of performing a health assessment under section 104(i)(6) of CERCLA, the Administrator of ATSDR may conduct other appropriate health studies, evaluations, or activities, including, without limitation, biomedical testing, clinical evaluations, medical monitoring, and referral to accredited health care providers: Provided further, That in performing any such health assessment or health study, evaluation, or activity, the Administrator of ATSDR shall not be bound by the deadlines in section 104(i)(6)(A) of CERCLA: Provided further, That none of the funds appropriated under this heading shall be available for ATSDR to issue in excess of 40 toxicological profiles pursuant to section 104(i) of CERCLA during fiscal year 2006, and existing profiles may be updated as necessary.

OTHER RELATED AGENCIES

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

For necessary expenses to continue functions assigned to the Council on Environmental Quality and Office of Environmental Quality pursuant to the National Environmental Policy Act of 1969, the Environmental Quality Improvement Act of 1970, and Reorganization Plan No. 1 of 1977, and not to exceed $750 for official reception and representation expenses, $2,717,000: Provided, That notwithstanding section 202 of the National Environmental Policy Act of 1970, the Council shall consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

For necessary expenses in carrying out activities pursuant to section 112(r)(6) of the Clean Air Act, as amended, including hire of passenger vehicles, uniforms or allowances therefor, as authorized by 5 U.S.C. 5901–5902, and for services authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem equivalent to the maximum rate payable for senior level positions under 5 U.S.C. 5376, $9,200,000: Provided, That the Chemical Safety and Hazard Investigation Board (Board) shall have not more than three career Senior Executive Service positions: Provided further, That notwithstanding any other provision of law, the individual appointed to the position of Inspector General of

the Environmental Protection Agency (EPA) shall, by virtue of such appointment, also hold the position of Inspector General of the Board: Provided further, That notwithstanding any other provision of law, the Inspector General of the Board shall utilize personnel of the Office of Inspector General of EPA in performing the duties of the Inspector General of the Board, and shall not appoint any individuals to positions within the Board.

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $8,601,000, to remain available until expended: Provided, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: Provided further, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: Provided further, That no relocatee will be provided with more than one new or replacement home: Provided further, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

For payment to the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by title XV of Public Law 99–498, as amended (20 U.S.C. 56 part A), $6,300,000.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to five replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees, $524,281,000, of which not to exceed $10,992,000 for the instrumentation program, collections acquisition, exhibition reinstallation, the National Museum of African American History and Culture, and the repatriation of skeletal remains program shall remain available until expended; and of which $9,086,000 for the reopening of the Patent Office Building and for fellowships and scholarly awards shall remain available until September 30, 2007; and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: Provided, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations: Provided further, That the Smithsonian Institution may expend Federal appropriations designated in this Act for lease or rent payments for long term and swing space, as rent payable to the Smithsonian Institution, and such rent payments may be deposited into the general trust funds of the Institution to the extent that federally supported activities are housed in the 900 H Street, N.W. building in the District of Columbia: Provided further, That this use of Federal appropriations shall not be construed as debt service, a Federal guarantee of, a transfer of risk to, or an obligation of, the Federal Government: Provided further, That no appropriated funds may be used to service debt which is incurred to finance the costs of acquiring the 900 H Street building or of planning, designing, and constructing improvements to such building.

FACILITIES CAPITAL

For necessary expenses of repair, revitalization, and alteration of facilities owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), and for construction, including necessary personnel, $100,000,000, to remain available until expended, of which not to exceed $10,000 is for services as authorized by 5 U.S.C. 3109: Provided, That contracts awarded for environmental systems, protection systems, and repair or restoration of facilities of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

None of the funds in this or any other Act may be used to make any changes to the existing Smithsonian science programs including closure of facilities, relocation of staff or redirection of functions and programs without the advance approval of the House and Senate Committees on Appropriations.

None of the funds in this or any other Act may be used to initiate the design for any proposed expansion of current space or new facility without consultation with the House and Senate Appropriations Committees.

None of the funds in this or any other Act may be used for the Holt House located at the National Zoological Park in Washington, D.C., unless identified as repairs to minimize water damage, monitor structure movement, or provide interim structural support.

None of the funds available to the Smithsonian may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the reprogramming procedures contained in the statement of the managers accompanying this Act.

None of the funds in this or any other Act may be used to purchase any additional buildings without prior consultation with the House and Senate Committees on Appropriations.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $96,600,000, of which not to exceed $3,157,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $16,200,000, to remain available until expended: Provided, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price: Provided further, That, notwithstanding any other provision of law, a single procurement for the Master Facilities Plan renovation project at the National Gallery of Art may be issued which includes the full scope of the Work Area #3 project: Provided further, That the solicitation and the contract shall contain the clause ''availability of funds'' found at 48 CFR 52.232.18.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $17,800,000.

CONSTRUCTION

For necessary expenses for capital repair and restoration of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $13,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $9,201,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $126,264,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to sections 5(c) and 5(g) of the Act, including $17,922,000 for support of arts education and public outreach activities through the Challenge America program, for program support, and for administering the functions of the Act, to remain available until expended: Provided, That funds previously appropriated to the National Endowment for the Arts ''Matching Grants'' account and ''Challenge America'' account may be transferred to and merged with this account: Provided further, That funds appropriated herein shall be expended in accordance with sections 309 and 311 of Public Law 108–108.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $127,605,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the

Humanities Act of 1965, as amended, $15,449,000, to remain available until expended, of which $10,000,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: Provided further, That funds from nonappropriated sources may be used as necessary for official reception and representation expenses: Provided further, That the Chairperson of the National Endowment for the Arts may approve grants up to $10,000, if in the aggregate this amount does not exceed 5 percent of the sums appropriated for grant-making purposes per year: Provided further, That such small grant actions are taken pursuant to the terms of an expressed and direct delegation of authority from the National Council on the Arts to the Chairperson.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $1,893,000: Provided, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956a), as amended, $7,250,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $4,860,000: Provided, That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71–71i), including services as authorized by 5 U.S.C. 3109, $8,244,000: Provided, That one-quarter of 1 percent of the funds provided under this heading may be used for official reception and representational expenses associated with hosting international visitors engaged in the planning and physical development of world capitals.

UNITED STATES HOLOCAUST MEMORIAL MUSEUM

HOLOCAUST MEMORIAL MUSEUM

For expenses of the Holocaust Memorial Museum, as authorized by Public Law 106–292 (36 U.S.C. 2301–2310), $42,780,000, of which $1,874,000 for the museum's repair and rehabilitation program and $1,246,000 for the museum's exhibition design and production program shall remain available until expended.

PRESIDIO TRUST

PRESIDIO TRUST FUND

For necessary expenses to carry out title I of the Omnibus Parks and Public Lands Management Act of 1996, $20,000,000 shall be available to the Presidio Trust, to remain available until expended.

WHITE HOUSE COMMISSION ON THE NATIONAL MOMENT OF REMEMBRANCE

SALARIES AND EXPENSES

For necessary expenses of the White House Commission on the National Moment of Remembrance, $250,000.

TITLE IV—GENERAL PROVISIONS

SEC. 401. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 402. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which Congressional action is not complete other than to communicate to Members of Congress as described in 18 U.S.C. 1913.

SEC. 403. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 404. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 405. Estimated overhead charges, deductions, reserves or holdbacks from programs, projects, activities and subactivities to support government-wide, departmental, agency or bureau administrative functions or headquarters, regional or central operations shall be presented in annual budget justifications and subject to approval by the Committees on Appropriations. Changes to such estimates shall be presented to the Committees on Appropriations for approval.

SEC. 406. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government except pursuant to a transfer made by, or transfer provided in, this Act or any other Act.

SEC. 407. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 2005.

SEC. 408. (a) LIMITATION OF FUNDS.—None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) EXCEPTIONS.—The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994; and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) REPORT.—On September 30, 2006, the Secretary of the Interior shall file with the House and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on actions taken by the Department under the plan submitted pursuant to section 314(c) of the Department of the Interior and Related Agencies Appropriations Act, 1997 (Public Law 104–208).

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 409. Notwithstanding any other provision of law, amounts appropriated to or earmarked in committee reports for the Bureau of Indian Affairs and the Indian Health Service by Public Laws 103–138, 103–332, 104–134, 104–208, 105–83, 105–277, 106–113, 106–291, 107–63, 108–7, 108–108, and 108–447 for payments to tribes and tribal organizations for contract support costs associated with self-determination or self-governance contracts, grants, compacts, or annual funding agreements with the Bureau of Indian Affairs or the Indian Health Service as funded by such Acts, are the total amounts available for fiscal years 1994 through 2005 for such purposes, except that, for the Bureau of Indian Affairs, tribes and tribal organizations may use their tribal priority allocations for unmet contract support costs of ongoing contracts, grants, self-governance compacts or annual funding agreements.

SEC. 410. The National Endowment for the Arts and the National Endowment for the Humanities are hereafter authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such in furtherance of the functions of the National Endowment for the Arts and the National Endowment for the Humanities. Any proceeds from such gifts, bequests, or devises, after acceptance by the National Endowment for the Arts or the National Endowment for the Humanities, shall be paid by the donor or the representative of the donor to the Chairman. The Chairman shall enter the proceeds in a special interest-bearing account to the credit of the appropriate endowment for the purposes specified in each case.

SEC. 411. No part of any appropriation contained in this Act shall be expended or obligated to complete and issue the 5-year program under the Forest and Rangeland Renewable Resources Planning Act.

SEC. 412. Section 3(a) of the Act of June 9, 1930 (commonly known as the Knutson-Vandenberg Act; 16 U.S.C. 576b), is amended—

(1) by striking ''or'' following ''stand of timber,'' in (3); and

(2) by striking the period following ''wildlife habitat management'' in (4), and inserting '', or (5) watershed restoration, wildlife habitat improvement, control of insects, disease and noxious weeds, community protection activities, and the maintenance of forest roads, within the Forest Service region in which the timber sale occurred: Provided, That such activities may be performed through the use of contracts, forest product sales, and cooperative agreements.''.

SEC. 413. Amounts deposited during fiscal year 2005 in the roads and trails fund provided for in the 14th paragraph under the heading ''FOREST SERVICE'' of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), shall be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to repair or reconstruct roads, bridges, and trails on National Forest System lands or to carry out and administer projects to improve forest health conditions, which may include the repair or reconstruction of roads, bridges, and trails on National Forest System lands in the wildland-community interface where there is an abnormally high risk of fire. The projects shall emphasize

reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity, and biological integrity. The projects may be completed in a subsequent fiscal year. Funds shall not be expended under this section to replace funds which would otherwise appropriately be expended from the timber salvage sale fund. Nothing in this section shall be construed to exempt any project from any environmental law.

SEC. 414. Other than in emergency situations, none of the funds in this Act may be used to operate telephone answering machines during core business hours unless such answering machines include an option that enables callers to reach promptly an individual on-duty with the agency being contacted.

SEC. 415. Prior to October 1, 2006, the Secretary of Agriculture shall not be considered to be in violation of subparagraph 6(f)(5)(A) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604(f)(5)(A)) solely because more than 15 years have passed without revision of the plan for a unit of the National Forest System. Nothing in this section exempts the Secretary from any other requirement of the Forest and Rangeland Renewable Resources Planning Act (16 U.S.C. 1600 et seq.) or any other law: Provided, That if the Secretary is not acting expeditiously and in good faith, within the funding available, to revise a plan for a unit of the National Forest System, this section shall be void with respect to such plan and a court of proper jurisdiction may order completion of the plan on an accelerated basis.

SEC. 416. No timber sale in Region 10 shall be advertised if the indicated rate is deficit when appraised using a residual value approach that assigns domestic Alaska values for western redcedar. Program accomplishments shall be based on volume sold. Should Region 10 sell, in the current fiscal year, the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised using a residual value approach that assigns domestic Alaska values for western redcedar, all of the western redcedar timber from those sales which is surplus to the needs of domestic processors in Alaska, shall be made available to domestic processors in the contiguous 48 United States at prevailing domestic prices. Should Region 10 sell, in the current fiscal year, less than the annual average portion of the decadal allowable sale quantity called for in the Tongass Land Management Plan in sales which are not deficit when appraised using a residual value approach that assigns domestic Alaska values for western redcedar, the volume of western redcedar timber available to domestic processors at prevailing domestic prices in the contiguous 48 United States shall be that volume: (1) which is surplus to the needs of domestic processors in Alaska; and (2) is that percent of the surplus western redcedar volume determined by calculating the ratio of the total timber volume which has been sold on the Tongass to the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan. The percentage shall be calculated by Region 10 on a rolling basis as each sale is sold (for purposes of this amendment, a ''rolling basis'' shall mean that the determination of how much western redcedar is eligible for sale to various markets shall be made at the time each sale is awarded). Western redcedar shall be deemed ''surplus to the needs of domestic processors in Alaska'' when the timber sale holder has presented to the Forest Service documentation of the inability to sell western redcedar logs from a given sale to domestic Alaska processors at a price equal to or greater than the log selling value stated in the contract. All additional western redcedar volume not sold to Alaska or contiguous 48 United States domestic processors may be exported to foreign markets at the election of the timber sale holder. All Alaska yellow cedar may be sold at prevailing export prices at the election of the timber sale holder.

SEC. 417. No funds provided in this Act may be expended to conduct preleasing, leasing and related activities under either the Mineral Leasing Act (30 U.S.C. 181 et seq.) or the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) within the boundaries of a National Monument established pursuant to the Act of June 8, 1906 (16 U.S.C. 431 et seq.) as such boundary existed on January 20, 2001, except where such activities are allowed under the Presidential proclamation establishing such monument.

SEC. 418. In entering into agreements with foreign countries pursuant to the Wildfire Suppression Assistance Act (42 U.S.C. 1856m) the Secretary of Agriculture and the Secretary of the Interior are authorized to enter into reciprocal agreements in which the individuals furnished under said agreements to provide wildfire services are considered, for purposes of tort liability, employees of the country receiving said services when the individuals are engaged in fire suppression: Provided, That the Secretary of Agriculture or the Secretary of the Interior shall not enter into any agreement under this provision unless the foreign country (either directly or through its fire organization) agrees to assume any and all liability for the acts or omissions of American firefighters engaged in firefighting in a foreign country: Provided further, That when an agreement is reached for furnishing fire fighting services, the only remedies for acts or omissions committed while fighting fires shall be those provided under the laws of the host country, and those remedies shall be the exclusive remedies for any claim arising out of fighting fires in a foreign country: Provided further, That neither the sending country nor any legal organization associated with the firefighter shall be subject to any legal action whatsoever pertaining to or arising out of the firefighter's role in fire suppression.

SEC. 419. Notwithstanding any other provision of law or regulation, to promote the more efficient use of the health care funding allocation for fiscal year 2006, the Eagle Butte Service Unit of the Indian Health Service, at the request of the Cheyenne River Sioux Tribe, may pay base salary rates to health professionals up to the highest grade and step available to a physician, pharmacist, or other health professional and may pay a recruitment or retention bonus of up to 25 percent above the base pay rate.

SEC. 420. In awarding a Federal contract with funds made available by this Act, notwithstanding Federal Government procurement and contracting laws, the Secretary of Agriculture and the Secretary of the Interior (the ''Secretaries'') may, in evaluating bids and proposals, give consideration to local contractors who are from, and who provide employment and training for, dislocated and displaced workers in an economically disadvantaged rural community, including those historically timber-dependent areas that have been affected by reduced timber harvesting on Federal lands and other forest-dependent rural communities isolated from significant alternative employment opportunities: Provided, That notwithstanding Federal Government procurement and contracting laws the Secretaries may award contracts, grants or cooperative agreements to local non-profit entities, Youth Conservation Corps or related partnerships with State, local or non-profit youth groups, or small or micro-business or disadvantaged business: Provided further, That the contract, grant, or cooperative agreement is for forest hazardous fuels reduction, watershed or water quality monitoring or restoration, wildlife or fish population monitoring, or habitat restoration or management: Provided further, That the terms ''rural community'' and ''economically disadvantaged'' shall have the same meanings as in section 2374 of Public Law 101–624: Provided further, That the Secretaries shall develop guidance to implement this section: Provided further, That nothing in this section shall be construed as relieving the Secretaries of any duty under applicable procurement laws, except as provided in this section.

SEC. 421. No funds appropriated in this Act for the acquisition of lands or interests in lands may be expended for the filing of declarations of taking or complaints in condemnation without the approval of the House and Senate Committees on Appropriations: Provided, That this provision shall not apply to funds appropriated to implement the Everglades National Park Protection and Expansion Act of 1989, or to funds appropriated for Federal assistance to the State of Florida to acquire lands for Everglades restoration purposes.

SEC. 422. (a) LIMITATION ON COMPETITIVE SOURCING STUDIES.—

(1) Of the funds made available by this or any other Act to the Department of the Interior for fiscal year 2006, not more than $3,450,000 may be used by the Secretary of the Interior to initiate or continue competitive sourcing studies in fiscal year 2006 for programs, projects, and activities for which funds are appropriated by this Act until such time as the Secretary concerned submits a reprogramming proposal to the Committees on Appropriations of the Senate and the House of Representatives, and such proposal has been processed consistent with the reprogramming guidelines included in the report accompanying this Act.

(2) Of the funds appropriated by this Act, not more than $3,000,000 may be used in fiscal year 2006 for competitive sourcing studies and related activities by the Forest Service.

(b) COMPETITIVE SOURCING STUDY DEFINED.—In this section, the term ''competitive sourcing study'' means a study on subjecting work performed by Federal Government employees or private contractors to public-private competition or on converting the Federal Government employees or the work performed by such employees to private contractor performance under the Office of Management and Budget Circular A–76 or any other administrative regulation, directive, or policy.

(c) COMPETITIVE SOURCING EXEMPTION FOR FOREST SERVICE STUDIES CONDUCTED PRIOR TO FISCAL YEAR 2006.—The Forest Service is hereby exempted from implementing the Letter of Obligation and post-competition accountability guidelines where a competitive sourcing study involved 65 or fewer full-time equivalents, the performance decision was made in favor of the agency provider; no net savings was achieved by conducting the study, and the study was completed prior to the date of this Act.

(d) In preparing any reports to the Committees on Appropriations on competitive sourcing activities, agencies funded in this Act shall include the incremental cost directly attributable to conducting the competitive sourcing competitions, including costs attributable to paying outside consultants and contractors and, in accordance with full cost accounting principles, all costs attributable to developing, implementing, supporting, managing, monitoring, and reporting on competitive sourcing, including personnel, consultant, travel, and training costs associated with program management.

(e) In carrying out any competitive sourcing study involving Forest Service employees, the Secretary of Agriculture shall—

(1) determine whether any of the employees concerned are also qualified to participate in wildland fire management activities; and

(2) take into consideration the effect that contracting with a private sector source would have on the ability of the Forest Service to effectively and efficiently fight and manage wildfires.

SEC. 423. None of the funds in this Act or prior Acts making appropriations for the Department of the Interior and Related Agencies may be provided to the managing partners or their agents for the SAFECOM or Disaster Management projects.

SEC. 424. (a) IN GENERAL.—An entity that enters into a contract with the United States to

operate the National Recreation Reservation Service (as solicited by the solicitation numbered WO–04–06vm) shall not carry out any duties under the contract using:

(1) a contact center located outside the United States; or

(2) a reservation agent who does not live in the United States.

(b) NO WAIVER.—The Secretary of Agriculture may not waive the requirements of subsection (a).

(c) TELECOMMUTING.—A reservation agent who is carrying out duties under the contract described in subsection (a) may not telecommute from a location outside the United States.

(d) LIMITATIONS.—Nothing in this Act shall be construed to apply to any employee of the entity who is not a reservation agent carrying out the duties under the contract described in subsection (a) or who provides managerial or support services.

SEC. 425. Section 331 of the Department of the Interior and Related Agencies Appropriations Act, 2000 (as enacted into law by section 1000(a)(3) of Public Law 106–113; 113 Stat. 1501A–196; 16 U.S.C. 497 note), as amended, is amended—

(1) in subsection (a) by striking ''2005'' and inserting ''2006''; and

(2) in subsection (b) by striking ''2005'' and inserting ''2006''.

SEC. 426. Section 321 of the Department of the Interior and Related Agencies Appropriations Act, 2003 (division F of Public Law 108–7; 117 Stat. 274; 16 U.S.C. 565a–1 note) is amended by striking ''September 30, 2005'' and inserting ''September 30, 2007''.

SEC. 427. Section 5 of the Arts and Artifacts Indemnity Act (20 U.S.C. 974) is amended—

(1) in subsection (b), by striking ''$8,000,000,000'' and inserting ''$10,000,000,000''; and

(2) in subsection (c), by striking ''$600,000,000'' and inserting ''$1,200,000,000''.

SEC. 428. Section 330 of the Department of the Interior and Related Agencies Appropriations Act, 2001 (Public Law 106–291; 114 Stat. 996; 43 U.S.C. 1701 note), is amended—

(1) in the first sentence, by striking ''2005'' and inserting ''2008'';

(2) in the first sentence by striking ''may pilot test agency-wide joint permitting and leasing programs'' and inserting after ''Congress,'' the following: ''may establish pilot programs involving the land management agencies referred to in this section to conduct projects, planning, permitting, leasing, contracting and other activities, either jointly or on behalf of one another; may co-locate in Federal offices and facilities leased by an agency of either Department;'';

(3) in the third sentence, by inserting '', National Park Service, Fish and Wildlife Service,'' after ''Bureau of Land Management''; and

(4) by adding at the end the following new sentence: ''To facilitate the sharing of resources under the Service First initiative, the Secretaries of the Interior and Agriculture may make transfers of funds and reimbursement of funds on an annual basis, including transfers and reimbursements for multi-year projects, except that this authority may not be used to circumvent requirements and limitations imposed on the use of funds.''.

SEC. 429. The Secretary of Agriculture may acquire, by exchange or otherwise, a parcel of real property, including improvements thereon, of the Inland Valley Development Agency of San Bernardino, California, or its successors and assigns, generally comprising Building No. 3 and Building No. 4 of the former Defense Finance and Accounting Services complex located at the southwest corner of Tippecanoe Avenue and Mill Street in San Bernardino, California, adjacent to the former Norton Air Force Base. As full consideration for the property to be acquired, the Secretary of Agriculture may terminate the leasehold rights of the United States received pursuant to section 8121(a)(2) of the Department of Defense Appropriations Act, 2005 (Public Law 108–287; 118 Stat. 999). The acquisition of the property shall be on such terms and conditions as the Secretary of Agriculture considers appropriate and may be carried out without appraisals, environmental or administrative surveys, consultations, analyses, or other considerations of the condition of the property.

SEC. 430. None of the funds in this Act may be used to prepare or issue a permit or lease for oil or gas drilling in the Finger Lakes National Forest, New York, during fiscal year 2006.

SEC. 431. (a) IN GENERAL.—

(1) The Secretary of Agriculture and the Secretary of the Interior are authorized to make grants to the Eastern Nevada Landscape Coalition for the study and restoration of rangeland and other lands in Nevada's Great Basin in order to help assure the reduction of hazardous fuels and for related purposes.

(2) Notwithstanding 31 U.S.C. secs. 6301–6308, the Director of the Bureau of Land Management may enter into a cooperative agreement with the Eastern Nevada Landscape Coalition for the Great Basin Restoration Project, including hazardous fuels and mechanical treatments and related work.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 432. (a) Section 108(g) of the Valles Caldera Preservation Act (16 U.S.C. 698v–6(g)) is amended—

(1) in the first sentence, by striking ''The Secretary'' and inserting the following:

''(1) LAW ENFORCEMENT.—

''(A) IN GENERAL.—The Secretary'';

(2) in the second sentence, by striking ''The Trust'' and inserting the following:

''(B) FEDERAL AGENCY.—The Trust''; and

(3) by striking ''At the request of the Trust'' and all that follows through the end of the subsection and inserting the following:

''(2) FIRE MANAGEMENT.—

''(A) NON-REIMBURSABLE SERVICES.—

''(i) DEVELOPMENT OF PLAN.—Subject to the availability of appropriations under section 111(a), the Secretary shall, in consultation with the Trust, develop a plan to carry out fire preparedness, suppression, and emergency rehabilitation services on the Preserve.

''(ii) CONSISTENCY WITH MANAGEMENT PROGRAM.—The plan shall be consistent with the management program developed pursuant to subsection (d).

''(iii) COOPERATIVE AGREEMENT.—To the extent generally authorized at other units of the National Forest System, the Secretary shall provide the services to be carried out pursuant to the plan under a cooperative agreement entered into between the Secretary and the Trust.

''(B) REIMBURSABLE SERVICES.—To the extent generally authorized at other units of the National Forest System and subject to the availability of appropriations under section 111(a), the Secretary shall provide presuppression and nonemergency rehabilitation and restoration services for the Trust at any time on a reimbursable basis.''

(b) The amendments made by subsection (a) take effect as of January 1, 2005.

SEC. 433. None of the funds made available to the Forest Service under this Act shall be expended or obligated for the demolition of buildings at the Zephyr Shoals property, Lake Tahoe, Nevada.

SEC. 434. Section 323(a) of the Department of the Interior and Related Agencies Appropriations Act, 1999 (16 U.S.C. 1011 note; as contained in section 101(e) of Public Law 105–277), is amended by striking ''fiscal year 1999'' and all that follows through ''2005'' and inserting ''each of fiscal years 2006 through 2011''.

SEC. 435. CONGRESSIONAL SECURITY RELATING TO CERTAIN REAL PROPERTY. (a) IN GENERAL.—Except as provided under subsection (b)—

(1) the District of Columbia Board of Zoning Adjustments and the District of Columbia Zoning Commission may not take any action to grant any variance relating to the property located at 51 Louisiana Avenue NW, Square 631, Lot 17 in the District of Columbia; and

(2) if any variance described under paragraph (1) is granted before the effective date of this section, such variance shall be set aside and shall have no force or effect.

(b) CONDITIONS FOR VARIANCE.—A variance described under subsection (a) may be granted or shall be given force or effect if—

(1) the Capitol Police Board makes a determination that any such variance shall not—

(A) negatively impact congressional security; and

(B) increase Federal expenditures relating to congressional security;

(2) the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House of Representatives approve such determination; and

(3) the Capitol Police Board certifies the determination in writing to the District of Columbia Board of Zoning Adjustments and the District of Columbia Zoning Commission.

(c) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act and apply to the remaining portion of the fiscal year in which enacted and each fiscal year thereafter.

SEC. 436. WISCONSIN NATIONAL FOREST ACQUISITION. (a) PROSPECTIVE MANAGEMENT REQUIREMENTS.—The Secretary of Agriculture is authorized to acquire property located within Sections 1 and 2, Township 44 North, Range 4 West; Section 31, Township 45 North, Range 3 West; and Section 36, Township 45 North, Range 4 West; Fourth Principal Meridian, Ashland County, State of Wisconsin, and upon such acquisition, such lands shall be subject to the special management requirements of subsection (b).

(b) SPECIAL MANAGEMENT.—Subject to valid existing rights of record, upon acquisition by the Secretary of Agriculture of any land referenced in subsection (a), that area of the land encompassed within 300 feet of the ordinary high water mark of the Brunsweiler River or Beaverdam Lake, whether or not the waterways are impounded, shall be subject to the laws and regulations pertaining to the National Forest System with the following management emphasis:

(1) Enhancing the physical, biological, and cultural features and values for public use, interpretation, research, and monitoring;

(2) Maintenance of the natural character of Brunsweiler River, whether or not impounded; and

(3) Prohibition of structures, motorized use of trails, developed recreation facilities, and surface occupancy for mineral exploration or extraction.

(c) NATIONAL FOREST BOUNDARIES.—Without further action by the Secretary of Agriculture, the boundaries of the Chequamegon National Forest are hereby expanded to encompass the lands referenced in subsection (a).

(d) SAVINGS PROVISION.—Nothing in this section shall be construed to prohibit the maintenance or reconstruction of the existing dam on the Brunsweiler River, located within the area referenced in subsection (a).

SEC. 437. In addition to amounts provided to the Department of the Interior in this Act, $5,000,000 is provided for a grant to Kendall County, Illinois.

SEC. 438. Section 344 of the Department of the Interior and Related Agencies Appropriations Act, 2005 as contained in division E of the Consolidated Appropriations Act, 2005 (Public Law 108–447) is amended as follows:

(1) by striking: ''seven''; ''14910001,''; and '', 14913007, and 14913008'';

(2) by inserting ''and'' after ''14913005,''; and

(3) by striking all language after ''(2)'' and inserting in lieu thereof ''immediately transfer to the Alaska SeaLife Center for various acquisitions, waterfront improvements and facilities

that complement the new Federal facility, any remaining balance of previously appropriated funds.''

SEC. 439. (a) ACROSS-THE-BOARD RESCISSIONS.—There is hereby rescinded an amount equal to 0.476 percent of the budget authority provided for fiscal year 2006 for any discretionary appropriation in titles I through IV of this Act.

(b) PROPORTIONATE APPLICATION.—Any rescission made by subsection (a) shall be applied proportionately—

(1) to each discretionary account and each item of budget authority described in subsection (a); and

(2) within each such account and item, to each program, project, and activity (with programs, projects, and activities as delineated in the appropriation Act or accompanying reports for the relevant fiscal year covering such account or item, or for accounts and items not included in appropriation Acts, as delineated in the most recently submitted President's budget).

(c) INDIAN LAND AND WATER CLAIM SETTLEMENTS.—Under the heading ''Bureau of Indian Affairs, Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians'', the across-the-board rescission in this section, and any subsequent across-the-board rescission for fiscal year 2006, shall apply only to the first dollar amount in the paragraph and the distribution of the rescission shall be at the discretion of the Secretary of the Interior who shall submit a report on such distribution and the rationale therefor to the House and Senate Committees on Appropriations.

TITLE V—FOREST SERVICE FACILITY REALIGNMENT AND ENHANCEMENT

SECTION 501. SHORT TITLE.

This title may be cited as the ''Forest Service Facility Realignment and Enhancement Act of 2005''.

SEC. 502. DEFINITIONS.

In this title:

(1) ADMINISTRATIVE SITE.—The term ''administrative site'' means—

(A) any facility or improvement, including curtilage, that was acquired or is used specifically for purposes of administration of the National Forest System;

(B) any Federal land associated with a facility or improvement described in subparagraph (A) that was acquired or is used specifically for purposes of administration of Forest Service activities and underlies or abuts the facility or improvement; or

(C) not more than 10 isolated, undeveloped parcels per fiscal year of not more than 40 acres each that were acquired or used for purposes of administration of Forest Service activities, but are not being so utilized, such as vacant lots outside of the proclaimed boundary of a unit of the National Forest System.

(2) FACILITY OR IMPROVEMENT.—The term ''facility or improvement'' includes—

(A) a forest headquarters;

(B) a ranger station;

(C) a research station or laboratory;

(D) a dwelling;

(E) a warehouse;

(F) a scaling station;

(G) a fire-retardant mixing station;

(H) a fire-lookout station;

(I) a guard station;

(J) a storage facility;

(K) a telecommunication facility; and

(L) other administrative installations for conducting Forest Service activities.

(3) MARKET ANALYSIS.—The term ''market analysis'' means the identification and study of the real estate market for a particular economic good or service.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

SEC. 503. AUTHORIZATION FOR CONVEYANCE OF FOREST SERVICE ADMINISTRATIVE SITES.

(a) CONVEYANCES AUTHORIZED.—In the manner provided by this title, the Secretary may convey an administrative site, or an interest in an administrative site, that is under the jurisdiction of the Secretary.

(b) MEANS OF CONVEYANCE.—The conveyance of an administrative site under this title may be made—

(1) by sale;

(2) by lease;

(3) by exchange;

(4) by a combination of sale and exchange; or

(5) by such other means as the Secretary considers appropriate.

(c) SIZE OF CONVEYANCE.—An administrative site or compound of administrative sites disposed of in a single conveyance under this title may not exceed 40 acres.

(d) CERTAIN LANDS EXCLUDED.—The following Federal land may not be conveyed under this title:

(1) Any land within a unit of the National Forest System that is exclusively designated for natural area or recreational purposes.

(2) Any land included within the National Wilderness Preservation System, the Wild and Scenic River System, or a National Monument.

(3) Any land that the Secretary determines—

(A) is needed for resource management purposes or to provide access to other land or water;

(B) is surrounded by National Forest System land or other publicly owned land, if conveyance would not be in the public interest due to the creation of a non-Federal inholding that would preclude the efficient management of the surrounding land; or

(C) would be in the public interest to retain.

(e) CONGRESSIONAL NOTIFICATIONS.—

(1) NOTICE OF ANTICIPATED USE OF AUTHORITY.—As part of the annual budget justification documents provided to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate, the Secretary shall include—

(A) a list of the anticipated conveyances to be made, including the anticipated revenue that may be obtained, using the authority provided by this title or other conveyance authorities available to the Secretary;

(B) a discussion of the intended purposes of any new revenue obtained using this authority or other conveyance authorities available to the Secretary, and a list of any individual projects that exceed $500,000; and

(C) a presentation of accomplishments of previous years using this authority or other conveyance authorities available to the Secretary.

(2) NOTICE OF CHANGES TO CONVEYANCE LIST.—If the Secretary proposes to convey an administrative site under this title or using other conveyance authorities available to the Secretary and the administrative site is not included on a list provided under paragraph (1)(A), the Secretary shall submit to the congressional committees specified in paragraph (3) written notice of the proposed conveyance, including the anticipated revenue that may be obtained from the conveyance.

(3) NOTICE OF USE OF AUTHORITY.—At least once a year, the Secretary shall submit to the Committee on Agriculture, the Committee on Appropriations, and the Committee on Resources of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry, the Committee on Appropriations, and the Committee on Energy and Natural Resources of the Senate a report containing a description of all conveyances of National Forest System land made by the Secretary under this title or other conveyance authorities during the period covered by the report.

(f) DURATION OF AUTHORITY.—The authority of the Secretary to initiate the conveyance of an administrative site under this title expires on September 30, 2008.

(g) REPEAL OF PILOT CONVEYANCE AUTHORITY.—Effective September 30, 2006, section 329 of the Department of the Interior and Related Agencies Appropriations Act, 2002 (16 U.S.C. 580d note; Public Law 107–63), is repealed. Notwithstanding the repeal of such section, the Secretary may complete the conveyance under such section of any administrative site whose conveyance was initiated under such section before that date.

SEC. 504. CONVEYANCE REQUIREMENTS.

(a) CONFIGURATION OF ADMINISTRATIVE SITES.—

(1) CONFIGURATION.—To facilitate the conveyance of an administrative site under this title, the Secretary may configure the administrative site—

(A) to maximize the marketability of the administrative site; and

(B) to achieve management objectives.

(2) SEPARATE TREATMENT OF FACILITY OR IMPROVEMENT.—A facility or improvement on an administrative site to be conveyed under this title may be severed from the land and disposed of in a separate conveyance.

(3) RESERVATION OF INTERESTS.—In conveying an administrative site under this title, the Secretary may reserve such right, title, and interest in and to the administrative site as the Secretary determines to be necessary.

(b) CONSIDERATION.—

(1) CONSIDERATION REQUIRED.—A person or entity acquiring an administrative site under this title shall provide to the Secretary consideration in an amount that is at least equal to the market value of the administrative site.

(2) FORM OF CONSIDERATION.—

(A) SALE.—Consideration for an administrative site conveyed by sale under this title shall be paid in cash on conveyance of the administrative site.

(B) EXCHANGE.—If the administrative site is conveyed by exchange, the consideration shall be provided in the form of a conveyance to the Secretary of land or improvements that are equal in market value to the conveyed administrative site. If the market values are not equal, the market values may be equalized by—

(i) the Secretary making a cash payment to the person or entity acquiring the administrative site; or

(ii) the person or entity acquiring the administrative site making a cash equalization payment to the Secretary.

(c) DETERMINATION OF MARKET VALUE.—The Secretary shall determine the market value of an administrative site to be conveyed under this title or of non-Federal land or improvements to be provided as consideration in exchange for an administrative site—

(1) by conducting an appraisal that is performed in accordance with—

(A) the Uniform Appraisal Standards for Federal Land Acquisitions, established in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.); and

(B) the Uniform Standards of Professional Appraisal Practice; or

(2) by competitive sale.

(d) RELATION TO OTHER LAWS.—

(1) FEDERAL PROPERTY DISPOSAL.—Subchapter I of chapter 5 of title 40, United States Code, shall not apply to the conveyance of an administrative site under this title.

(2) LAND EXCHANGES.—Section 206 of the Federal Land Policy and Management Act (43 U.S.C. 1716) shall not apply to the conveyance of an administrative site under this title carried out by means of an exchange or combination of sale and exchange.

(3) LEAD-BASED PAINT AND ASBESTOS ABATEMENT.—Notwithstanding any provision of law relating to the mitigation or abatement of lead-based paint or asbestos-containing building materials, the Secretary is not required to mitigate or abate lead-based paint or asbestos-containing building materials with respect to an administrative site to be conveyed under this title. However, if the administrative site has lead-based paint or asbestos-containing building materials, the Secretary shall—

relating to the mitigation or abatement of lead-based paint or asbestos-containing building materials, the Secretary is not required to mitigate or abate lead-based paint or asbestos-containing building materials with respect to an administrative site to be conveyed under this title. However, if the administrative site has lead-based paint or asbestos-containing building materials, the Secretary shall—

(A) provide notice to the person or entity acquiring the administrative site of the presence of the lead-based paint or asbestos-containing building material; and

(B) obtain written assurance from the person or entity acquiring the administrative site that the person or entity will comply with applicable Federal, State, and local laws relating to the management of the lead-based paint and asbestos-containing building materials.

(4) ENVIRONMENTAL REVIEW.—The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall apply to the conveyance of administrative sites under this title, except that, in any environmental review or analysis required under such Act for the conveyance of an administrative site under this title, the Secretary is only required to—

(A) analyze the most reasonably foreseeable use of the administrative site, as determined through a market analysis;

(B) determine whether or not to reserve any right, title, or interest in the administrative site under subsection (a)(3); and

(C) evaluate the alternative of not conveying the administrative site, consistent with the National Environmental Policy Act of 1969.

(e) REJECTION OF OFFERS.—The Secretary shall reject any offer made for the acquisition of an administrative site under this title if the Secretary determines that the offer is—

(1) not adequate to cover the market value of the administrative site; or

(2) not otherwise in the public interest.

(f) CONSULTATION AND PUBLIC NOTICE.—As appropriate, the Secretary is encouraged to work with the Administrator of the General Services Administration with respect to the conveyance of administrative sites under this title. Before making an administrative site available for conveyance under this title, the Secretary shall consult with local governmental officials of the community in which the administrative site is located and provide public notice of the proposed conveyance.

SEC. 505. DISPOSITION OF PROCEEDS RECEIVED FROM ADMINISTRATIVE SITE CONVEYANCES.

(a) DEPOSIT.—The Secretary shall deposit in the fund established under Public Law 90–171 (commonly known as the Sisk Act; 16 U.S.C. 484a) all of the proceeds from the conveyance of an administrative site under this title.

(b) USE.—Amounts deposited under paragraph (1) shall be available to the Secretary, until expended and without further appropriation, to pay any necessary and incidental costs incurred by the Secretary in connection with—

(1) the acquisition, improvement, maintenance, reconstruction, or construction of a facility or improvement for the National Forest System; and

(2) the conveyance of administrative sites under this title, including costs described in subsection (c).

(c) BROKERAGE SERVICES.—The Secretary may use the proceeds from the conveyance of an administrative site under this title to pay reasonable commissions or fees for brokerage services obtained in connection with the conveyance if the Secretary determines that the services are in the public interest. The Secretary shall provide public notice of any brokerage services contract entered into in connection with a conveyance under this title.

TITLE VI—VETERANS HEALTH CARE

SEC. 601. From the money in the Treasury not otherwise appropriated, there is appropriated to the Department of Veterans Affairs an additional amount for ''Medical Services'' of $1,500,000,000 to be available for obligation upon enactment of this Act and to remain available until September 30, 2006.

This Act may be cited as the ''Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006''.

And the Senate agree to the same.

CHARLES H. TAYLOR,
JERRY LEWIS,
ZACH WAMP,
JOHN E. PETERSON,
DON SHERWOOD,
ERNEST J. ISTOOK, Jr.,
ROBERT ADERHOLT,
JOHN T. DOOLITTLE,
MICHAEL SIMPSON,
NORMAN D. DICKS,
JAMES P. MORAN,
MAURICE D. HINCHEY,
JOHN W. OLVER,
ALAN B. MOLLOHAN,
Managers on the Part of the House.

CONRAD BURNS,
TED STEVENS,
THAD COCHRAN,
PETE V. DOMENICI,
ROBERT F. BENNETT,
JUDD GREGG,
LARRY CRAIG,
WAYNE ALLARD,
BYRON L. DORGAN,
ROBERT C. BYRD,
PATRICK J. LEAHY,
HARRY REID,
DIANNE FEINSTEIN,
BARBARA A. MIKULSKI,
HERB KOHL,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2361), making appropriations for the Department of the Interior, Environment, and Related Agencies for the fiscal year ending September 30, 2006, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on H.R. 2361 incorporates some of the provisions of both the House and the Senate versions of the bill. Report language and allocations set forth in either House Report 109–80 or Senate Report 109–80 that are not changed by the conference are approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not negate the language referenced above unless expressly provided herein.

REPROGRAMMING GUIDELINES

The managers have revised the reprogramming guidelines to add an exception for certain Environmental Protection Agency grants (section 3(b)) and to delete certain instructions to the Forest Service dealing with boundary adjustments and transfer of funds.

The following are the procedures governing reprogramming actions for programs and activities funded in the Interior, Environment, and Related Agencies Appropriations Act:

1. *Definitions.*—(a) ''Reprogramming,'' as defined in these procedures, includes the reallocation of funds from one budget activity to another. In cases where either the House or Senate Committee report displays an allocation of an appropriation below the activity level, that more detailed level shall be the basis for reprogramming. For construction accounts, a reprogramming constitutes the reallocation of funds from one construction project (identified in the justification or Committee report) to another. A reprogramming shall also consist of any significant departure from the program described in the agency's budget justifications. This includes proposed reorganizations even without a change in funding.

(b) ''Committees'' refer to the House and Senate Committees on Appropriations and, specifically, the Subcommittee on Interior, Environment, and Related Agencies.

2. *Guidelines for Reprogramming.*—(a) A reprogramming should be made only when an unforeseen situation arises; and then only if postponement of the project or the activity until the next appropriation year would result in actual loss or damage. Mere convenience or desire should not be factors for consideration.

(b) Any project or activity, which may be deferred through reprogramming, shall not later be accomplished by means of further reprogramming; but, instead, funds should again be sought for the deferred project or activity through the regular appropriations process.

(c) Reprogramming should not be employed to initiate new programs or to change allocations specifically denied, limited or increased by the Congress in the Act or the report. In cases where unforeseen events or conditions are deemed to require changes, proposals shall be submitted in advance to the Committees, regardless of amounts involved, and be fully explained and justified.

(d) Reprogramming proposals submitted to the Committees for approval shall be considered approved 30 calendar days after receipt if the Committees have posed no objection. However, agencies will be expected to extend the approval deadline if specifically requested by either Committee.

(e) Proposed changes to estimated working capital fund bills and estimated overhead charges, deductions, reserves or holdbacks, as such estimates were presented in annual budget justifications, shall be submitted through the reprogramming process.

3. *Criteria and Exceptions.*—Any proposed reprogramming must be submitted to the Committees in writing prior to implementation if it exceeds $500,000 annually or results in an increase or decrease of more than 10 percent annually in affected programs, with the following exceptions:

(a) With regard to the tribal priority allocations activity of the Bureau of Indian Affairs, Operation of Indian Programs account, there is no restriction on reprogrammings among the programs within this activity. However, the Bureau shall report on all reprogrammings made during the first 6 months of the fiscal year by no later than May 1 of each year, and shall provide a final report of all reprogrammings for the previous fiscal year by no later than November 1 of each year.

(b) With regard to the Environmental Protection Agency, State and Tribal Assistance Grants account, reprogramming requests associated with States and Tribes applying for partnership grants do not need to be submitted to the Committees for approval should such grants exceed the normal reprogramming limitations. In addition, the Agency need not submit a request to move funds between wastewater and drinking water objectives for those grants targeted to specific communities.

4. *Quarterly Reports.*—(a) All reprogrammings shall be reported to the Committees quarterly and shall include cumulative totals.

(b) Any significant shifts of funding among object classifications also should be reported to the Committees.

5. *Administrative Overhead Accounts.*—For all appropriations where costs of administrative expenses are funded in part from ''assessments'' of various budget activities within an appropriation, the assessments shall be shown in justifications under the discussion of administrative expenses.

6. *Contingency Accounts.*—For all appropriations where assessments are made against various budget activities or allocations for contingencies the Committees expect a full explanation, as part of the budget justification, consistent with section 405 of this Act. The explanation shall show the amount of the assessment, the activities assessed, and the purpose of the fund. The Committees expect reports each year detailing the use of these funds. In no case shall a fund be used to finance projects and activities disapproved or limited by Congress or to finance new permanent positions or to finance programs or activities that could be foreseen and included in the normal budget review process. Contingency funds shall not be used to initiate new programs.

7. *Report Language.*—Any limitation, directive, or earmarking contained in either the House or Senate report which is not contradicted by the other report nor specifically denied in the conference report shall be considered as having been approved by both Houses of Congress.

8. *Assessments.*—No assessments shall be levied against any program, budget activity, subactivity, or project funded by the Interior, Environment, and Related Agencies Appropriations Act unless such assessments and the basis therefore are presented to the Committees and are approved by such Committees, in compliance with these procedures.

9. *Land Acquisitions and Forest Legacy.*—(a) Lands shall not be acquired for more than the approved appraised value (as addressed in section 301(3) of Public Law 91–646) except for condemnations and declarations of taking, unless such acquisitions are submitted to the Committees for approval in compliance with these procedures.

(b) Subsection (a) does not apply to the National Park Service for tracts with an appraised value of $500,000 or less.

10. *Land Exchanges.*—Land exchanges, wherein the estimated value of the Federal lands to be exchanged is greater than $500,000, shall not be consummated until the Committees have had a 30–day period in which to examine the proposed exchange.

11. *Appropriations Structure.*—The appropriation structure for any agency shall not be altered without advance approval of the Committees.

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Management of Lands and Resources

The conference agreement provides $860,791,000 for management of lands and resources instead of $845,783,000 as proposed by the House and $867,045,000 as proposed by the Senate.

Land Resources.—Changes to the House level for land resources include an increase of $1,000,000 for the National Center for Invasive Plant Management, and decreases of $100,000 for Santa Ana River land management, $156,000 for Wyoming soil surveys, which is addressed under realty and ownership management, and $250,000 for Santa Ana River conservation efforts.

The managers encourage the Bureau to work with the Bighorn Institute to conserve and recover the peninsular desert bighorn sheep.

The managers are aware of the Salt Cedar Task Force's work in northeast Montana and encourage the Bureau to explore methods of partnering with the task force on control and eradication efforts surrounding Fort Peck Reservoir.

Within the funds provided for Santa Ana River conservation efforts, $100,000 should be directed to the land management planning effort.

Recreation Management.—Changes to the House level for recreation management include an increase of $1,000,000 for the undaunted stewardship program and a decrease of $500,000 for Santa Rosa and San Jacinto National Monument management plans.

Energy and Minerals.—Changes to the House level for energy and minerals include an increase of $1,000,000 for oil and gas management.

The managers do not include funding for the Utah Oil and Gas internet pilot program due to the Bureau's inability to perform the pilot at this time but encourage the Bureau to work to develop this capability.

Realty Ownership and Management.—Changes to the House level for realty ownership and management include increases of $7,000,000 for Alaska conveyance, $300,000 for GIS mapping in Utah, $750,000 for recordable disclaimer applications in Alaska, $160,000 for Wyoming soil surveys and $950,000 for a cadastral survey in Montana.

Resource Protection and Maintenance.—Changes to the House level for resource protection and maintenance include a decrease of $250,000 for California desert conservation plans.

The managers agree that law enforcement funds provided above the requested level should be used in National Landscape Conservation System lands in Montana, Colorado, California, and other NLCS lands not included in the Administration's requested increased above the enacted level.

Transportation and Facilities Maintenance.—Changes to the House level for transportation and facilities maintenance include increases of $750,000 for capping oil wells in the National Petroleum Reserve Alaska and $750,000 for Pacific Crest, Continental Divide and Iditarod trails.

Challenge Cost Share.—Changes to the House level for challenge cost share include an increase of $2,604,000 for the traditional challenge cost share program.

The Administration's budget request included a proposal to eliminate the range improvement account and included $3,000,000 in the cooperative conservation initiative and $7,000,000 in the deferred maintenance program to fund the activities performed by the range improvement account. The managers have restored the range improvement account, but direct the Bureau to focus no less than $4,000,000 from the deferred maintenance program to the range improvement activities suggested in the budget justification. Furthermore, the Bureau is expected to focus at least $3,000,000 of challenge cost share activities on range activities including sagebrush restoration and invasive weed control.

Bill Language.—The conference agreement retains language included in the Senate bill that earmarks $1,250,000 for the Youth Conservation Corps program. The House bill recommended $1,000,000 for this purpose.

Wildland Fire Management
(including transfer of funds)

The conference agreement provides $766,564,000 for wildland fire management as proposed by the Senate instead of $761,564,000 as proposed by the House.

State and Local Fire Assistance.—The change to the House level for State and local fire assistance is an increase of $5,000,000.

The managers agree that funding for the National Center for Landscape Fire Analysis shall remain at or above the fiscal year 2005 enacted level.

Bill Language.—The conference agreement includes language contained in the House bill allowing for the transfer of up to $9,000,000 of wildland fire management funds between the Department of the Interior and the Department of Agriculture. The Senate contained similar language.

Construction

The conference agreement provides $11,926,000 for construction instead of $11,476,000 as proposed by the House and $9,976,000 as proposed by the Senate.

Changes to the House level for construction include increases of $1,500,000 for the Sand Hollow Recreation MOU with the State of Utah, which completes the project, $450,000 for the Paiute Meadows Trail project, and a decrease of $1,500,000 for general construction projects.

Land Acquisition

The conference agreement provides $8,750,000 for land acquisition instead of $3,817,000 as proposed by the House and $12,250,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Area (State)	*Amount*
Colorado River SRMA (UT)	$1,200,000
Oregon NWSR/North Fork Owyhee NWSR (OR)	650,000
Sandy River/Oregon NHT (OR)	1,600,000
Santa Rosa and San Jacinto Mountains NM (CA)	500,000
Upper Snake/South Fork Snake River ACEC/SRMA (ID)	1,500,000
Subtotal	5,450,000
Emergencies and Hardships	1,000,000
Acquisition Management	2,300,000
Total	8,750,000

Oregon and California Grant Lands

The conference agreement provides $110,070,000 for Oregon and California grant lands as proposed by both the House and Senate.

Range Improvements

The conference agreement provides an indefinite appropriation for range improvements of not less than $10,000,000 as proposed by both the House and the Senate.

Service Charges, Deposits, and Forfeitures

The conference agreement provides an indefinite appropriation for service charges, deposits, and forfeitures, which is estimated to be $32,940,000, as proposed by both the House and the Senate.

Miscellaneous Trust Funds

The conference agreement provides an indefinite appropriation of $12,405,000 for miscellaneous trust funds as proposed by both the House and the Senate.

United States Fish and Wildlife Service

Resource Management

The conference agreement provides $1,008,880,000 for resource management instead of $1,005,225,000 as proposed by the House and $993,485,000 as proposed by the Senate. Changes to the House recommended level are described below.

Ecological Services.—In Endangered Species Act recovery programs, there are decreases of $298,000 for wolf recovery and $150,000 for the Northern aplomado falcon and increases of $1,114,000 for the Yellowstone grizzly bear conservation strategy, $500,000 for Lahontan cutthroat trout, $1,000,000 for the Penobscot River restoration project, $1,000,000 for Atlantic salmon recovery activities managed through the National Fish and Wildlife Foundation, $1,200,000 for eider and sea otter recovery at the Alaska SeaLife Center, and $350,000 for White Sulphur Springs NFH, WV, mussel recovery.

In habitat conservation, increases for the partners for fish and wildlife program include $1,000,000 for Seattle, WA, shoreline restoration for salmon habitat, $700,000 for Big Hole watershed restoration in Montana, $500,000 for the Montana Water Center wild fish habitat initiative, $1,250,000 for the Nevada biodiversity research and conservation project, $100,000 for Bald eagle restoration with the Vermont Natural Heritage Partners program, $540,000 for conservation work at Don Edwards NWR, CA, $1,000,000 for the wildlife enterprises program at Mississippi State University, $150,000 for the Thunder Basin initiative in Wyoming, $100,000 for

invasive species control by the Friends of Lake Sakakawea, $550,000 for endangered bird conservation in Hawaii, $500,000 for geographic information system mapping of NWRs in Alaska, and $425,000 for the study of declining wildlife populations on Lake Umbagog NWR with the New Hampshire Audubon Society. These increases are offset by a decrease of $100,000 for a study of Colorado River flow and aquatic habitats (Blue sucker) from Longhorn Dam to Matagorda Bay and a $9,000,000 reduction to the general program increase proposed in the budget request.

In coastal programs, there is an increase of $200,000 in support of the proposed general program expansion.

Refuges and Wildlife.—In refuge operations/refuge visitor services, there is a decrease of $1,000,000 for visitor facility enhancements. The managers note that $5,000,000 is provided in the construction account for visitor contact facilities.

In migratory bird management, there are increases in conservation and monitoring of $375,000 for focal species management, $100,000 for survey and monitoring, and $100,000 for population and habitat assessment. In the joint ventures program, there is an increase of $100,000 in national administration for a program assessment of existing joint ventures and an increase of $400,000 to initiate the Central Hardwoods and the Northern Great Plains joint ventures.

In law enforcement operations, there is a decrease of $100,000 for vehicle replacement.

Fisheries.—In the fisheries program, there are increases in hatchery operations of $600,000 for hatchery operations, $1,400,000 for whirling disease and related fish health issues, and $500,000 for the wildlife health center in Montana. In hatchery maintenance, there is a decrease of $1,500,000 for whirling disease; funds for this program have been moved to hatchery operations. In fish and wildlife management, there are decreases of $750,000 for the national fish habitat initiative and $350,000 for Yukon River Salmon Treaty implementation and an increase of $102,000 for aquatic nuisance species control.

General Administration.—In general operations, increases include $250,000 for National Conservation Training Center operations and $397,000 for NCTC maintenance. In international programs, increases include $300,000 for the Caddo Lake Ramsar Center in Texas and $100,000 for the wildlife without borders Africa program.

Bill Language.—Language is included earmarking $2,500,000 for the Youth Conservation Corps as proposed by the Senate instead of $2,000,000 as proposed by the House.

The managers agree to the following:

1. The funds provided for wolf recovery include $350,000 for the Nez Perce Tribe, $730,000 for the Idaho Office of Species Conservation, $100,000 for the Service's Snake River Basin Office pursuant to a memorandum of agreement between the Nez Perce Tribe and the State of Idaho, and $320,000 for wolf monitoring and related activities by the State of Montana.

2. The $1,000,000 provided in the ESA recovery program for the Penobscot River restoration project represents the first time funding has been provided in the Service's budget. Funds were provided for the project by the National Oceanic and Atmospheric Administration last fiscal year; additional funds are anticipated through the Army Corps of Engineers and NOAA in fiscal year 2006; and the State of Maine along with private groups are also expected to provide funds for removing dams on the Penobscot River. The managers will carefully analyze any future requests for funding from the Fish and Wildlife Service budget for this project with the expectation that the aforementioned other entities will be the primary contributors to the project.

3. The Peregrine Fund is funded at $550,000 in fiscal year 2006, which includes $150,000 for Northern aplomado falcon recovery activities.

4. The funding provided in the partners for fish and wildlife program for a study of declining wildlife populations on Lake Umbagog NWR in cooperation with the New Hampshire Audubon Society, will complete this project.

5. The managers are concerned that for the past two years the white pelican population at Chase Lake NWR, ND, has experienced unexplained disturbances. In 2004, nearly 30,000 pelicans abandoned the colony and in 2005, inspections revealed only about 500 live chicks out of a potential summer hatch of 9,000.

The managers are aware that the Service is working to determine the scope of these problems and expects the Service to report to the House and Senate Committees on Appropriations no later than October 1, 2005, on what it believes is the cause of the 2004 abandonment and the 2005 deaths and what steps it believes are necessary to reverse this trend.

6. The managers are aware that the Service is currently working on the Comprehensive Conservation Plan for Vieques NWR in Puerto Rico. In an effort to keep the House and Senate Committees on Appropriations informed on the progress and scope of the CCP, the Service should report to the Committees by January 1, 2006, on plan development and on environmental cleanup efforts currently being conducted on Vieques NWR, the expected cost of the cleanup, if known, and the methods being used to dispose of ordinance.

7. The managers continue to be concerned about the Service?s share of the cost of airport operations at Midway Atoll NWR. The managers also are concerned about the unresolved issues surrounding a new contract for airport operations and funding by the Federal Aviation Administration. The managers understand that FAA will cover the costs associated with the airfield in fiscal year 2006 and beyond and that the Service will pay an appropriate share of the indirect costs in addition to paying ongoing refuge operations costs. The total cost to the Service for all operations at Midway is expected to be $4.3 million in fiscal year 2006. The managers note that the airport is not needed for refuge operations and the managers will not agree to a reprogramming for additional funds for airport-related expenses in fiscal year 2006 unless there is a compelling, unanticipated, emergency requirement. Further, to the extent the new airport contract results in savings, the Service should share in those savings. The House and Senate Committees on Appropriations should be notified when the contract is awarded.

8. No additional funding is provided for existing joint ventures in fiscal year 2006. The $100,000 provided in the migratory bird management program for national administration of joint venture activities is for a program assessment of the existing joint venture programs. To the extent that future funding increases are requested for joint ventures, the funding should be based on the results of the program assessment. Likewise, if the assessment determines that certain joint ventures are not yielding desired results, the managers believe the Service should consider decreased funding for those projects in future budget requests.

9. The $1,400,000 provided for whirling disease research includes $1,000,000 for the National Partnership on the Management of Wild and Native Coldwater Fisheries and $400,000 for the Whirling Disease Foundation.

10. Funding for whirling disease research and related fish health issues and for the wildlife health center in Montana is provided in the hatchery operations budget. The Service should reprogram any other base budget funds for these activities in fiscal year 2006 to the hatchery operations budget and should budget for these activities in hatchery operations in future budget requests.

11. An increase of $1,000,000 is provided for continued development of the National Fish Habitat Initiative. Distribution of these funds should follow the direction in House Report 109–80.

12. The fisheries program should continue to keep the House and Senate Committees on Appropriations apprised of its efforts to address base budget erosion and inequities in field station funding, including consideration of reimbursable funding.

13. The funds provided for the Caddo Lake Ramsar Center in Texas are for conservation and education programs directly related to Caddo Lake and may not be used for infrastructure, construction-related projects, legal or management fees, or any other purposes. The Center should work cooperatively with Texas A&M University on preparing a program of work for fiscal year 2006.

CONSTRUCTION

The conference agreement provides $45,891,000 for construction instead of $41,206,000 as proposed by the House and $31,811,000 as proposed by the Senate. The managers agree to the following distribution of funds:

[Dollars in thousands]

Project	Description	Amount
Allegheny NFH, PA	Water Supply Improvements [complete planning]	$250
Balcones Canyonlands NWR, TX	Martin Lake and Martin West Dams [p/d/cc]	500
Big Oaks NWR, IN	Old Timbers Lake Dam Rehabilitation—Phase II [d/cc]	150
Clark R. Bavin Forensics Laboratory, OR	Renovation/Upgrade Facility—Phase II [cc]	3,355
Crab Orchard NWR, IL	Visitor Center Dam Rehabilitation [cc]	2,625
Craig Brook NFH, ME	Wastewater Treatment Compliance—Phase III [cc]	2,480
Division of Safety, Security and Aviation	Replacement of Survey Aircraft—Phase III	1,500
Garrison Dam NFH, ND	Hatchery renovation [completes 9 of 17 pond liners]	200
Hakalau Forest NWR, HI	Ungulate Control Fencing [c]	700
Hanford Reach NM/Saddle Mountain NWR, WA	Visitor Center	2,250
Kenai NWR, AK	Visitor Center/Water and Sewer Lines [cc]	500
Klamath Basin NWR Complex, CA	Water Supply and Management—Phase V	1,000
Kodiak NWR, AK	Visitor Center [cc]	4,000
Kofa NWR, AZ	Structural Replacement of Four Buildings—Phase II [cc]	1,515
Northwest Power Planning Area	Fish Screens, etc	2,000
Ohio River Islands NWR, WV	Erosion protection for Middle & Buckley Islands	435
Servicewide	Bridge Safety Inspections	570

[Dollars in thousands]

Project	Description	Amount
Servicewide	Dam Safety Programs & Inspections	720
Servicewide	Visitor Contact Facilities	5,000
Sevilleta NWR, NM	Laboratory Construction [cc]	2,100
Tualatin NWR, OR	Visitor Center and Administration Building [cc]	3,900
White Sulphur Springs NFH, WV	Maintenance, grounds improvements, quarters rehabilitation	525
Subtotal, Line Item Construction		36,275
Nationwide Engineering Services:		
Cost Allocation Methodology		2,456
Environmental Compliance		1,000
Other, non-project specific Nationwide Engineering Services		5,900
Seismic Safety Program		130
Waste Prevention, Recycling Environmental Management		130
Subtotal, Nationwide Engineering Services		9,616
Total		$45,891

Bill Language.—The conference agreement includes language proposed by the Senate transferring funds appropriated in fiscal year 2005 for the Chase Lake and Arrowwood NWRs, ND, to North Dakota State University to complete planning and design for a joint interpretive center. The House had no similar provision.

The managers agree to the following:

1. The $700,000 in funding for Hakalau Forest NWR, HI, ungulate control fencing is provided with the understanding that an additional $400,000 will need to be provided in fiscal year 2007 to complete the project.

2. The funding provided for the Hanford Reach, WA visitor center completes the Federal commitment to this project.

3. The $4,000,000 in funding for Kodiak NWR, AK, visitor center is sufficient to complete construction. The managers agree that an additional $400,000 will need to be provided in fiscal year 2007 to complete the acquisition of furnishings and equipment for the center.

4. The Service should reprogram $350,000 from the completed Orangeburg dam project at Orangeburg NFH, SC, to complete the waterline construction project at the National Conservation Training Center.

5. The funding provided for laboratory construction at Sevilleta NWR, NM completes this project.

6. The $525,000 provided for White Sulphur Springs NFH, WV, includes $400,000 for maintenance and grounds improvements and $125,000 for quarters rehabilitation. An additional $125,000 will need to be provided in fiscal year 2007 to complete the quarters renovation.

LAND ACQUISITION

The conference agreement provides $28,408,000 for land acquisition instead of $14,937,000 as proposed by the House and $40,827,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Area (State)	*Amount*
Alaska Peninsula NWR (AK)	$400,000
Balcones Canyonlands NWR (TX)	500,000
Cache River NWR (AR)	809,000
Cahaba NWR (AL)	421,000
Canaan Valley NWR (WV)	190,000
Clark's River NWR (KY)	200,000
Dakota Tallgrass Prairie WMA (SD/ND)	500,000
Eastern Shore NWR (VA)	2,000,000
Edwin B. Forsythe NWR (NJ)	300,000
Lake Atascosa NWR (TX)	400,000
Lake Umbagog NWR (NH)	500,000
Lower Rio Grande Valley NWR (TX)	800,000
Northern Tallgrass Prairie NWR (MN/IA)	500,000
Primehook NWR (DE)	250,000
Rachel Carson NWR (ME)	600,000
Rhode Island Refuge Complex (RI)	525,000
Rocky Mountain Front (MT)	1,000,000
San Joaquin River NWR (CA)	450,000
Silvio O. Conte NFWR (NH, VT, CT, MA)	650,000
Tensas River NWR (LA)	1,900,000
Togiak NWR (AK)	300,000
Upper Klamath Lake NWR, Barnes Tract (OR)	2,000,000
Use of carryover/anticipated slippage	−1,500,000
Subtotal	13,695,000
Inholdings	1,500,000
Emergencies and Hardships	1,500,000
Exchanges	1,500,000
Acquisition Management	8,393,000
Cost Allocation Methodology	1,820,000
Total	$28,408,000

Bill Language.—The conference agreement retains language proposed by the House providing that none of the funds appropriated for specific land acquisition projects can be used to pay for any administrative overhead, planning or other management costs.

The managers agree to the following:

1. Funds appropriated in fiscal year 2006 for Tensas River NWR (LA) completes this land acquisition project.

2. Within funds provided for the Silvio Conte NWR, not less than $500,000 is for the Pondicherry Division.

3. Within funds provided for acquisition management, $500,000 is for an environmental impact statement of the proposed Yukon Flats land exchange between Doyon Ltd. and the United States Fish and Wildlife Service.

LANDOWNER INCENTIVE PROGRAM

The conference agreement provides $24,000,000 for the landowner incentive program instead of $23,700,000 as proposed by the House and $25,000,000 as proposed by the Senate.

PRIVATE STEWARDSHIP GRANTS

The conference agreement provides $7,386,000 for private stewardship grants as proposed by the House instead of $7,500,000 as proposed by the Senate.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

The conference agreement provides $82,200,000 for the cooperative endangered species conservation fund instead of $84,400,000 as proposed by the House and $80,000,000 as proposed by the Senate.

Bill Language.—The conference agreement includes language earmarking $62,039,000 to be derived from the Land and Water Conservation Fund instead of $64,239,000 as proposed by the House and $45,653,000 as proposed by the Senate. A total of $20,161,000 is derived from the Cooperative Endangered Species Conservation Fund as proposed by the House instead of $34,347,000 as proposed by the Senate.

NATIONAL WILDLIFE REFUGE FUND

The conference agreement provides $14,414,000 for the national wildlife refuge fund as proposed by both the House and the Senate.

NORTH AMERICAN WETLANDS CONSERVATION FUND

The conference agreement provides $40,000,000 for the North American wetlands conservation fund as proposed by the House instead of $39,500,000 as proposed by the Senate.

NEOTROPICAL MIGRATORY BIRD CONSERVATION

The conference agreement provides $4,000,000 for neotropical migratory bird conservation as proposed by both the House and the Senate.

MULTINATIONAL SPECIES CONSERVATION FUND

The conference agreement provides $6,500,000 for the multinational species conservation fund as proposed by the Senate instead of $5,900,000 as proposed by the House. Changes to the House recommended level include increases of $200,000 for rhinoceros and tiger conservation and $400,000 for marine turtle conservation.

STATE AND TRIBAL WILDLIFE GRANTS

The conference agreement provides $68,500,000 for State and Tribal wildlife grants instead of $65,000,000 as proposed by the House and $72,000,000 as proposed by the Senate.

Bill Language.—The conference agreement includes language proposed by the House restating the October 1, 2005, deadline for completion of State comprehensive wildlife conservation plans and providing direction on distributing funds for States with disapproved plans. The Senate had no similar provisions.

ADMINISTRATIVE PROVISIONS

The conference agreement does not specify the number of replacement passenger motor vehicles that may be purchased by the Service.

The conference agreement includes a reference to the current reprogramming guidelines, which are contained in the front of the statement of the managers in this report.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

The conference agreement provides $1,744,074,000 for the operation of the national park system instead of $1,754,199,000 as proposed by the House and $1,748,486,000 as proposed by the Senate.

The managers have provided an additional $20,000,000 for recurring park base increases. Of this amount $15,000,000 is provided for across the board increases for all park units

and $5,000,000 is available for high priority program increases to specific parks. Within the $5,000,000, $500,000 is provided for national trails. This amount is in addition to the increases provided in the budget request for pay and fixed costs.

The conference agreement provides $354,141,000 for resource stewardship, instead of $354,116,000 as proposed by the House and $354,841,000 as proposed by the Senate. Changes to the House level include a reduction of $1,000,000 for inventory and monitoring and increases of $225,000 for the International Center for Science and Learning at Mammoth Cave NP, $500,000 for air tour management and $300,000 for Vanishing Treasures.

The conference agreement provides $346,181,000 for visitor services, the same as the House and Senate.

The conference agreement provides $594,686,000 for maintenance as proposed by the House instead of $595,186,000 as proposed by the Senate.

Within the amount provided for repair and rehabilitation, $80,000 is for campground rehabilitation at Ozark NSR, $200,000 is for historic landscaping at Gettysburg NMP, $200,000 is for Alice Ferguson (Wareham Lodge), $497,000 is for Indiana Dunes NL (West Beach), $206,000 is for Indiana Dunes NL (Dunbar Beach), $300,000 is for Death Valley NP (Cow Creek), $140,000 is for San Juan NHS (sewer repairs), $243,000 is for El Morro (restrooms), $250,000 is for Timucuan NP&P (Kingsley Plantation), $250,000 is for the George Washington Memorial Parkway, $310,000 is for Saratoga NHP (Victory Woods), $375,000 is for Dayton Aviation NHP (Wright Dunbar Plaza), $400,000 is for New River Gorge NR (building stabilization), $340,000 is for New River Gorge NR (HVAC), $350,000 is for Harpers Ferry NHP (building repairs), $490,000 is for Harpers Ferry NHP (exhibits/trails), and $640,000 is for Natchez Trace Parkway (re-striping and sealing).

The conference agreement provides $298,509,000 for park support, instead of $298,659,000 as proposed by the House and $301,721,000 as proposed by the Senate. Changes to the House level include a decrease of $400,000 for Jamestown 2007 and an increase of $250,000 for wild and scenic rivers. Funding for Jamestown has been moved to the statutory or contractual aid program.

The conference agreement provides $130,557,000 for external administrative costs, the same as the House and Senate.

Bill language.—The conference agreement does not include language proposed by the House relating to across the board increases for parks. The managers agree to provide $97,600,000 in 2-year funding for maintenance, repair and rehabilitation, and an earmark of $2,000,000 for Youth Conservation Corps projects.

The conference agreement continues to earmark one-third of the challenge cost share program for the National Trails System. Foreign travel must continue to be preapproved by the Committees on Appropriations.

The conference agreement has provided $48,000 for Johnstown Area Heritage Association Museum and $785,000 for Ice Age National Scientific Reserve in the statutory or contractual aid program in the national recreation and preservation account.

The managers are aware of the recent completion of the Natchez Trace Parkway. Given the historic significance of the Parkway and its high visitation levels, the managers encourage the Secretary to consider elevating the superintendent's position to the senior executive service.

UNITED STATES PARK POLICE

The conference agreement provides $81,411,000 for the United States Park Police instead of $82,411,000 as proposed by the House and $80,411,000 as proposed by the Senate. The additional funds are for new recruit classes.

NATIONAL RECREATION AND PRESERVATION

The conference agreement provides $54,965,000 for national recreation and preservation, instead of $48,997,000 as proposed by the House and $56,729,000 as proposed by the Senate.

The conference agreement provides $554,000 for recreation programs, the same as the House and the Senate. The conference agreement provides $9,845,000 for natural programs instead of $9,545,000 as proposed by the House and $10,045,000 as proposed by the Senate. The change to the House level is an increase of $300,000 for rivers, trails and conservation assistance.

The conference agreement provides $20,028,000 for cultural programs instead of $19,953,000 as proposed by the House and $20,403,000 as proposed by the Senate. Changes to the House level include an increase of $375,000 for underground railroad to freedom grants. Decreases to the House level include $300,000 for a digitization design plan. Within available funds, $300,000 is provided for Heritage Preservation Inc.

Within the funds provided for the cultural program, $200,000 is to initiate planning authorized in the American Revolution Commemoration Act. The Service is strongly encouraged to include funding for this in the fiscal year 2007 budget. The managers expect the Service to address the management and program issues detailed in the House report regarding the Chesapeake Bay Gateways and Water Trails program.

The managers have once again provided funding for the Center for Preservation Technology and Training in Louisiana. The creation of this facility was recommended to the Committee by the National Park Service, yet the budget request did not include these funds. The managers strongly urge the Service to include adequate funding for the Center in future budget requests.

The conference agreement provides $1,618,000 for international park affairs, the same as the House and Senate. The conference agreement provides $399,000 for environmental and compliance review, the same as the House and the Senate. The conference agreement provides $1,913,000 for grant administration, the same as the House and the Senate.

The conference agreement provides $13,400,000 for designated heritage areas and $100,000 for administration. Funds are to be distributed as follows:

Project	*Amount*
America's Agricultural Heritage Partnership	$700,000
Augusta Canal National Heritage Area	350,000
Automobile National Heritage Area	450,000
Blue Ridge National Heritage Area	800,000
Cane River National Heritage Area	800,000
Delaware and Lehigh National Heritage Corridor	750,000
Erie Canalway National Heritage Corridor	650,000
Essex National Heritage Area	800,000
Hudson River Valley National Heritage Area	450,000
John H. Chafee Blackstone River Valley National Heritage Corridor	800,000
Lackawanna Valley National Heritage Area	500,000
Mississippi Gulf Coast National Heritage Area	200,000
National Aviation Heritage Area	200,000
National Coal Heritage Area	100,000
Ohio & Erie Canal National Heritage Corridor	800,000
Oil Region National Heritage Area	200,000
Quinnebaug & Shetucket Rivers Valley National Heritage Corridor	800,000
Rivers of Steel National Heritage Area	800,000
Schuykill River Valley National Heritage Center	450,000
Shenandoah Valley Battlefields National Historic District	450,000
South Carolina National Heritage Corridor	800,000
Tennessee Civil War Heritage Area	400,000
Wheeling National Heritage Area	800,000
Yuma Crossing National Heritage Area	350,000
Subtotal	13,400,000
Technical Support	100,000
Total, Heritage Partnership Programs	$13,500,000

The conference agreement provides $7,108,000 for statutory or contractual aid, instead of no funding as proposed by the House and $8,225,000 as proposed by the Senate. The funds provided are to be distributed as follows:

Project	*Amount*
Brown Foundation	$250,000
Chesapeake Bay Gateways & Water Trails	1,500,000
Crossroads of the West Historic District	500,000
Delta Interpretive Center, MS	1,000,000
Ft. Mandan, Ft. Lincoln, and No. Plains Foundations	625,000
Harper's Ferry NHP (Niagara Movement)	300,000
Ice Age National Scientific Reserve	785,000
Jamestown 2007 (moved from ONPS)	400,000
Johnstown Area Heritage Association	48,000
Lamprey River	600,000
Native Hawaiian culture & arts program	600,000
Siege and Battle of Corinth Commission (Contraband Camp)	500,000
Total	$7,108,000

HISTORIC PRESERVATION FUND

The conference agreement provides $73,250,000 for the historic preservation fund instead of $72,705,000 as proposed by the House and $74,500,000 as proposed by the Senate.

Changes to the House level include increases of $250,000 for States and Territories and $795,000 for Indian tribes. Decreases to the House level include $500,000 for historically black colleges and universities.

The conference agreement includes a total of $30,000,000 for Save America's Treasures. Of this amount, $13,250,000 is for competitive grants, of which $5,000,000 is provided for Preserve America grants, and the balance of the funds are to be distributed as follows:

Project/State	*Amount*
Actors Theatre, KY	$150,000
Anaconda-Deer Lodge Courthouse, MT	150,000

Project/State	Amount
Athenaeum, VA	75,000
Beacon Island Agate Basin Site, ND	250,000
Bethel Cultural Arts Center, SC	200,000
Black Horse Tavern, PA	150,000
Brooklyn Arts Center at St. Andrews, Wilmington, NC	180,000
Brookville Historic District, PA	150,000
Bulgarian-Macedonian National Educational and Cultural Center	150,000
Bushrod Crawford/McClellan's HQ Building, WV	250,000
Calfax Depot, CA	50,000
Cambria Iron Works, PA	200,000
Campo de Cahuenga, CA	75,000
Carlyle House, VA	50,000
Carnegie Library Building, Missoula, MT	400,000
Church of the Advocate, PA	125,000
Copiah County Courthouse, MS ,	225,000
Elson Mill, OH	200,000
Fair Park, TX	100,000
Fort Mitchell NHL, AL	140,000
Freedmen's Cemetery, VA	75,000
Ft. Gratiot Lighthouse, MI	400,000
Ft. Ticonderoga Pavillion, NY	150,000
Gadsby's Tavern, VA	50,000
Graycliff Estate, NY	150,000
Greene Courthouse, MO,	100,000
Hayes Presidential Home, OH	400,000
Heroine Steamboat, OK	200,000
Hickman House, MO	250,000
High Bridge Stairway, Bronx, NY	200,000
Hinds County Courthouse, Raymond, MS	225,000
Historic Bethlehem Partnership, 1762 Waterworks, PA	150,000
Hudson Coal Company Shanty & Fan House, PA	200,000
Indiana Harbor Branch library, IN	200,000
Jasper Courthouse, MO	100,000
Jens Jensen Park, IL	175,000
John C. Campbell Folk School, NC	200,000
John List House, WV	250,000
Kam Wah Chung & Co. Museum, OR	400,000
Lac du Flambeau Boys & Girls Indian School	95,000
Landmark Theatre, NY	240,000
Las Vegas Historic Post Office, NV	540,000
Liberty Memorial Museum, MO	300,000
McKelvy House at Lafayette College, PA	250,000
Minnequa Steel Works Archives & Museum, CO	200,000
Mission San Miguel, CA	300,000
Monroe Courthouse, MS	150,000
Montrose City Hall Renovation, CO	100,000
Moravian College, PA	140,000
Morristown College, Morristown, TN	175,000
Moundville Archaeological Park, AL	500,000
Mount Royal Station & Train Shed, MD	300,000
Mt. Sterling Methodist Church, KY	250,000
Murray Schoolhouse, CA	30,000
Ocean Springs Community Center, MS	100,000
Old Capitol Museum, IA	365,000
Olympic Stadium, WA	150,000
Palace Theatre Renovations, Columbus, OH	250,000
Pantages Theater, WA	150,000
Pearl Buck House, PA	140,000
Pelham Picture House, NY	200,000
Pennsylvania House, OH	200,000
Plaza House and Vickrey-Brunswig Complex, CA	200,000
Preservation Maryland Tobacco Barns, MD	200,000
President Benjamin Harrison Home, IN	200,000
Randolph County Community Arts Center, WV	140,000
Rev. Harrison House Museum, MA	250,000
Roberson Museum and Science Center, NY	100,000
Shafter Research Center, CA	200,000
Slater Memorial Park Bandshell, RI	100,000
Soldiers and Sailors Monument, OH	100,000
St. Ann Arts & Cultural Center, RI	300,000
St. Luke AME Church, KS	100,000
St. Martin Parish Courthouse, LA	150,000
Stanley Theater, NY	250,000
Tecumseh Theatre, OH	200,000
Tioga County Council on the Arts, NY	20,000
Tule Lake Interment Camp, CA	200,000
USS *Joseph P. Kennedy*, MA	300,000
Vermont History Center Auditorium, VT	300,000
Victory Memorial Drive Historic District, MN	200,000
Waco Texas Mammoth Paleontology Site (preservation building), TX	200,000
Walker-Eisen Building, CA	150,000
Waterbury Historic Preservations, CT	200,000
Wilox Park, Westerly, RI	150,000
Woodstock Craftsmen Guild/Byrdcille Art Colony, NY	130,000
Woodward Opera House, OH	140,000
Total	16,750,000

CONSTRUCTION

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $301,291,000 for construction instead of $291,230,000 as proposed by the House and $299,201,000 as proposed by the Senate. The funds are to be distributed as follows:

Project	Amount
Abraham Lincoln Presidential Library & Museum	$1,000,000
Amistad NRA (upgrade water & wastewater systems, Diablo East)	1,003,000
Big Bend NP (curatorial)	2,100,000
Blue Ridge Parkway (replace Otter Creek Bridge & campground services)	804,000
Blue Ridge Parkway (visitor center)	3,500,000
Boston Harbor Islands NRA (construct floating docks)	832,000
Boston NHP (Bldg. 5)	3,082,000
Chaco Culture NHP (replace & upgrade curation facilities w/ UNM)	4,238,000
Chesapeake & Ohio Canal NHP (rehab Great Falls visitor ctr. & facilities)	1,847,000
Cumberland Island NS (Plum Orchard home)	3,247,000
Cuyahoga Valley NP (rehab)	2,500,000
Delaware Water Gap NRA (cabins)	700,000
Delaware Water Gap NRA (replace Depew recreations site)	2,871,000
Everglades NP (modified water delivery system)	25,000,000
Fire Island NS (West Entrance Ranger Sta. and construct restrooms)	764,000
Flight 93 Memorial	1,000,000
Fort Larned NHS (North Officers' Quarters)	1,159,000
Fort Washington Park (stabilization)	2,876,000
George Washington Mem. Parkway (rehab Arlington House)	1,251,000
Glacier NP (remove hazmat and correct fire egress at Many Glacier hotel)	758,000
Grand Portage NM (establish heritage center)	4,000,000
Gulf Islands NS (rehab Ft. Pickens water system)	971,000
Harpers Ferry NHP (rehab Jackson Hs, School Hs Ridge trails/ways., Arm.)	510,000
Homestead NM (visitor center/heritage museum and education center)	3,690,000
Hopewell Culture NHP (salvage arch. resources threatened by erosion)	389,000
Hot Springs NP (rehab bathhouses)	6,059,000
Independence NHP (Mall landscaping/infrastructure)	2,000,000
John H. Chafee Blackstone River Valley NHC	500,000
Kalaupapa NHP (replace non-compliant cesspools)	3,779,000
Kenai Fjords NP (multi-agency center)	495,000
Keweenaw NHP (Calumet & Hecla Bldg rehab, Phase II)	1,650,000
Little Rock Central High School NHS (complete visitor center)	5,100,000
Mark Twain Boyhood Home NHL (restoration)	400,000
Moccasin Bend NAD (erosion)	2,000,000
Mt. Rainier NP (rehab structural components at Paradise Inn and Annex)	7,900,000
Mt. Rainier NP (replace Jackson Visitor Ctr and rehab parking areas)	14,307,000
New River Gorge NR (various)	769,000
Olympic NP (Elwha River ecosystem)	5,000,000
Pinnacles NM (relocate and replace maintenance & visitor facilities)	4,794,000
Redwood NP (protect park resources by removing failing roads)	2,169,000
San Francisco Maritime NHP (repair Sala Burton Maritime Museum bldg.)	4,350,000
Saugus Iron Works NHS (rehab resources for accessibility and safety)	1,334,000
Shenandoah NP (rehab & remodel Panorama facility as visitor/learning ctr)	4,835,000
Shiloh NMP (Corinth interpretation)	500,000
Southwest Pennsylvania Heritage Commission	2,500,000

Project	Amount
Statue of Liberty/Ellis Island NM (rehab Ellis Island seawall)	8,452,000
Tuskegee Airmen NHS (preserve and rehab Moton Airfield site)	6,767,000
Utah Public Lands Artifact Preservation Act	4,000,000
Valley Forge NHP (George Washington's headquarters)	2,326,000
Western Artic National Parklands (NW Alaska Heritage Ctr & admin. facil.)	12,733,000
White House (structural and utility rehab)	6,523,000
Wind Cave NP (replace failing wastewater treatment facility)	4,928,000
Wolf Trap NP (replace Main Gate facility, Filene Ctr; Phase 2)	3,000,000
Yellowstone NP (Old Faithful Inn)	11,118,000
Yellowstone NP (replace Madison wastewater facility)	4,114,000
Yellowstone NP (replace Old Faithful Visitor Center)	11,175,000
Yosemite NP (replace haz. gas disinfect. sys., El Portal waste. plant)	2,176,000
Subtotal, Line Item	217,845,000
Emergency/unscheduled projects	3,000,000
Housing replacement	7,000,000
Dam safety	2,662,000
Equipment replacement	26,000,000
Construction planning	19,925,000
Construction program management	28,105,000
General management planning	13,754,000
Subtotal, (before use of priors)	318,291,000
Use of prior year unobligated balances	−17,000,000
Total	301,291,000

The funds provided for general management planning should be expended consistent with project directives in both the House and Senate reports.

Funds provided for Big Bend NP (curatorial facility), Grand Portage NM (heritage center), Homestead NM (visitor center), Little Rock Central High School NHS (visitor center), Wolf Trap (main gate facility) and Yellowstone NP (Old Faithful visitor center) are intended to complete these projects.

Funds provided for the Flight 93 National Memorial may not be used for land acquisition. The Service is strongly encouraged to reduce dramatically the amount of land required for this project.

The managers expect the National Park Service and the legislated partners for the Dayton Aviation Heritage National Historical Park to collaborate in the development of a priority list of requirements needed to fulfill the authorized mission of the park. Such a list should give consideration to both the recurring and non-recurring needs of the park, and should serve as a framework for guiding decisions about the most important investments needed to further the park's purpose. The managers recognize that the National Aviation Heritage Area may have a separate set of priorities, but the priorities for the park and heritage area should complement one another.

The managers direct the National Park Service to explore viable ways to encourage the sale, by concessioners or via lease agreements (in accordance with real property leasing authority, 36 CFR Part 17), of authentic American made souvenirs, which reflect, educate, and celebrate the unique history, spirit, culture, and natural treasures of the designated region and individual park, either through existing concessioner retail operations or other appropriate agreements. The managers expect a written report detailing progress made by December 1, 2006.

The managers encourage the Secretary to give priority consideration for funding in the next round of Southern Nevada Public Lands Management Act project approvals to the water and wastewater system improvements that were proposed in the fiscal year 2006 budget request for Lake Mead National Recreation Area. The managers are aware that nearly $1 billion in revenues will be available in fiscal year 2006. Of that amount, the Secretary of the Interior controls 85 percent. Projects such as these should be funded from this source and not requested in the budget.

The managers understand that private funds already raised toward replacement visitor facilities at the U.S.S. Arizona Memorial are available for planning and design of the new facility. The National Park Service is nearing completion of its review of this partnership construction project, and is encouraged to complete the review and advance the project to the next stage as expeditiously as possible. Before final approval, the Director of the National Park Service should forward to the House and Senate Committees on Appropriations the details of the financing of this project. The managers understand that the present facility is undersized for the visitation to this park site, and that a new facility is needed to address functional and structural requirements.

Bill language.—The conference agreement provides $400,000 for the Mark Twain Boyhood Home NHL to be derived from the Historic Preservation Fund. The agreement also includes language proposed by the Senate permitting a solicitation that includes the full scope of the contract for the Jackson Visitor Center replacement and rehabilitation of the Paradise Inn and Annex at Mount Rainier NP.

The managers have included $25,000,000 for the purpose of implementing the Modified Water Deliveries to Everglades National Park project which will allow the Army Corps of Engineers to continue this important restoration project so as to restore more natural water flows to the park. The $25,000,000 is subject to the reporting requirements of P.L. 108–108 and the availability of the funds is contingent upon the appropriation and full availability of funds appropriated to the Army Corps of Engineers for the purpose of implementing the project, including the development of detailed design documents for a bridge or series of bridges for Tamiami Trail that will allow for restored water flows between the water conservation areas and Everglades National Park.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The conference agreement rescinds the contract authority provided for fiscal year 2006 by 16 U.S.C. 4601–10a as proposed by both the House and the Senate.

LAND ACQUISITION AND STATE ASSISTANCE

The conference agreement provides $64,909,000 for land acquisition and State assistance instead of $9,421,000 as proposed by the House and $86,005,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Area (State)	Amount
Big Thicket National Preserve (TX)	$2,000,000
Chickamauga-Chattanooga NMP (TN)	1,800,000
Civil War Battlefield Sites (Grants)	3,000,000
Gauley River NRA (WV)	500,000
Golden Gate NRA (CA)	525,000
Haleakala NP (HI)	3,700,000
Harpers Ferry NHP (WV)	2,000,000
Ice Age NST (WI)	1,000,000
Lewis and Clark NHP (OR/WA)	1,600,000
New River Gorge NSR (WV)	2,000,000
Pinnacles NM (CA)	3,000,000
Piscataway Park (MD)	700,000
Shenandoah Valley Battlefields NHD (VA)	1,000,000
Sleeping Bear Dunes NL (MI)	5,300,000
Wilson's Creek NB (MO)	1,200,000
Wrangell-St. Elias NP & P (AK)	750,000
Subtotal	30,075,000
Emergencies and Hardships	2,500,000
Acquisition Management	9,749,000
Inholdings	2,500,000
Use of Prior Year Balances	−9,915,000
Stateside Grants	28,413,000
Stateside Administration	1,587,000
Total	$64,909,000

Bill Language.—The conference agreement includes language proposed by the Senate, providing that none of the funds provided for the State assistance program may be used to establish a contingency fund.

The conferrence agreement rescinds $9,915,000 in prior year funds from the Cat Island project at Gulf Islands National Seashore, as proposed by the House.

The managers agree that the heroic efforts by the passengers of Flight 93 should be remembered with a lasting memorial. Although no funds are provided for land acquisition, $1,000,000 is included in the construction account for planning activities.

The managers have revised the reprogramming guidelines to specify that the reprogramming requirement for acquisitions in excess of appraised values does not apply to the National Park Service for condemnations, declarations of taking, and tracts with an appraised value of $500,000 or less. The revised reprogramming guidelines are contained in the front of the statement of the managers in this report.

ADMINISTRATIVE PROVISIONS

The conference agreement does not include the longstanding proviso providing that none of the funds may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

The conference agreement provides $976,035,000 for surveys, investigations, and research instead of $974,586,000 as proposed by the House and $963,057,000 as proposed by the Senate.

Mapping, Remote Sensing and Geographic Investigations.—The change to the House level for mapping, remote sensing and geographic investigations is a decrease of $2,000,000 for the Landsat program.

The managers direct the Survey to offset the decrease with reductions in travel, administrative streamlining and buyout savings throughout the Bureau.

Geologic Hazards, Resources and Processes. Changes to the House level for geologic hazards, resources and processes include increases of $500,000 for Alaska gas hydrates,

and decreases of $648,000 for Florida shelf research, $412,000 for Puget Sound and $1,134,000 for Alaska mineral assessments.

The managers strongly disagree with the Administration's proposed reductions to the minerals assessment program and believe it is irresponsible for the Administration to decrease or eliminate funding for what is clearly an inherently Federal responsibility. The conference agreement restores funding for this vital program to the enacted level.

Water Resources Investigations.—Changes to the House level for water resources investigations include increases of $500,000 for the Memphis aquifer study, $230,000 for the Ozark aquifer study, $1,250,000 to continue Tar Creek remediation with the University of Oklahoma, $900,000 for coalbed methane research on the Tongue River, $450,000 for water monitoring in Hawaii, $295,000 for Lake Champlain monitoring and a decrease of $450,000 for the San Pedro partnership.

The managers are concerned by continuing reports that suggest the Survey's water resources program is providing or seeking to provide a variety of commercial services to Federal and non-Federal entities in direct competition with the private sector. The managers have previously encouraged the Survey to use the services of the private sector in the conduct of its activities wherever feasible, cost effective, and consistent with the quality standards and principles pertaining to the effective performance of governmental functions. The managers expect that the Survey should strive to implement such a policy to the best of its ability in the performance of its work.

The managers agree that if the San Francisco South Bay salt ponds project is a priority for the Survey, additional funding should be requested in future budgets.

The managers agree to continue the Lake Champlain monitoring and research assessment activities and have included increased funding of $295,000 to restore the program to the enacted level. Future budget requests should include sufficient funds for these operations.

The managers agree that the Survey's participation in the Long Term Estuary Assessment program should be continued at the current year enacted level.

Biological Research.—Changes to the House level for biological research include increases of $100,000 for the invasive species initiative, $350,000 to complete the Mark Twain National Forest mining study, $800,000 for molecular biology research at the Leetown Science Center, $200,000 for the multidisciplinary water study at Leetown Science Center, $350,000 for pallid sturgeon research, $200,000 for the diamondback terrapin study, $400,000 to complete the Northern Continental Divide Ecosystem study in Montana, $55,000 to restore the base funding for Cooperative Research Units, $400,000 for remote survey and monitoring equipment for the ivory-billed woodpecker in Arkansas, $200,000 for the University of Missouri-Columbia to establish a wetland ecology center for excellence, and decreases of $150,000 for a database of invasive species on national wildlife refuges and $185,000 for equipment for the Anadromous Fish Research Center.

The managers have included a portion of the requested funding increase for the invasive species initiative and direct the Survey to fund the leafy spurge eradication program proposed in the request.

The managers have included funding for ivory-billed woodpecker survey efforts in Arkansas. The funding should be used in collaboration with Cornell University's Laboratory of Ornithology and the U.S. Fish and Wildlife Service to conduct aerial and ground surveys using remote video and acoustic technologies.

The managers understand funding provided to the University of Missouri-Columbia for the establishment of a wetland ecology center of excellence should be used for one-time start-up costs and this funding will not be included in future appropriations.

The managers remain concerned about the National Biological Information Infrastructure program. No clearly coordinated budgetary and programmatic plan has emerged for its expansion, and the managers remain concerned about the reason an Internet-based program that hosts biological information must be geographically distributed.

The managers understand that the multidisciplinary water study at Leetown Science Center is nearing completion. The Survey should provide a brief report to the House and Senate Committees on Appropriations by December 31, 2005, evaluating the research that has been conducted to date and outlining what, if any, issues remain to be addressed in order to finish the project.

Science Support.—The change to the House level for science support is a decrease of $2,000,000 for the Landsat program.

The managers direct the Survey to offset the decrease with reductions in travel, administrative streamlining and buyout savings throughout the Bureau.

Bill Language.—The conference agreement modifies language included in both the House and Senate bills allowing the Survey to publish and disseminate data.

ADMINISTRATIVE PROVISIONS

The conference agreement includes language proposed by the Senate that contained minor technical differences from the House.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

The conference agreement provides $153,651,000 for royalty and offshore minerals management instead of $152,676,000 as proposed by the House and $152,516,000 as proposed by the Senate. The managers agree to the following changes to the House recommendations:

1. The leasing and environmental program includes an earmark of $150,000 within available funds for the Alaska Whaling Commission as proposed by the Senate and there is a decrease of $175,000 for fixed costs.

2. Resource evaluation includes an increase of $900,000 for the Center for Marine Resources, MS as proposed by the Senate and a decrease of $100,000 for fixed costs.

3. The regulatory program has a decrease of $200,000 for fixed costs.

4. The information management program has a decrease of $200,000 for fixed costs.

5. Royalty management includes an increase of $1,000,000 for the State and tribal audit program.

6. General administration includes fixed cost decreases of $250,000 for administrative operations and $150,000 for general support services.

7. The Department is undertaking a study of the impacts of the merger of the GovWorks program into the National Business Center. This study will also include an assessment of the impact that this organizational realignment will have on MMS's ability to carry out its mission. The managers understand that an initial organizational transfer will commence at the beginning of the fiscal year, but before the final commencement of the restructuring, the managers expect to receive a report on the impacts of the merger.

OIL SPILL RESEARCH

The conference agreement provides $7,006,000 for oil spill research as proposed by both the House and the Senate.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

The conference agreement provides $110,535,000 for regulation and technology as proposed by both the House and the Senate. This total includes an indefinite appropriation estimated to be $100,000.

ABANDONED MINE RECLAMATION FUND

The conference agreement provides $188,014,000 for the abandoned mine reclamation fund as proposed by both the House and the Senate. The managers note that bill language within Title I, general provisions, provides an extension until June 30, 2006, of the Secretary's authority to collect fees pursuant to the Surface Mining Control and Reclamation Act. The conference agreement includes the bill language proposed by the House which provides for a one-time transfer of the balance in the fund for the rural abandoned mine program, which has not been used for 10 years, to the Federal share fund, so the funds could be used in the future for emergencies and other Federal obligations. The conference agreement also includes the bill language recommended by the Senate concerning special grant authorities for Maryland's acid mine abatement program.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

The conference agreement provides $1,991,490,000 for the operation of Indian programs instead of $1,992,737,000 as proposed by the House and $1,971,132,000 as proposed by the Senate.

The managers agree that an alternative budget structure for the operation of Indian programs would provide greater opportunity for reviewing funding levels and assessing performance on a programmatic level. The managers are concerned that there was inadequate consultation with Tribes when preparing this new budget structure. The Bureau should follow previous guidance given in the House and Senate reports on this issue.

Tribal Priority Allocations.—The change to the House level for tribal priority allocations is a decrease of $750,000 for the Indian Child Welfare Act.

Other Recurring Programs.—Changes to the House level for other recurring programs include increases of $12,500,000 for tribally controlled community colleges, $500,000 for technical assistance for tribally controlled community colleges, $210,000 for fish hatchery maintenance, $98,000 for the Alaska Sea Otter Commission, $450,000 for the Bering Sea Fishermen's Association, $300,000 for the Chugach Regional Resources Commission, $350,000 for Lake Roosevelt management, and decreases of $12,000,000 for ISEP formula funding, $1,500,000 for student transportation, $200,000 for irrigation operations and maintenance, $1,000,000 for the Washington State Fish and Wildlife program and $1,250,000 for the Chippewa Ottawa Resource Authority.

The managers have included funding in the ISEP program and direct this increase to the Bureau's FOCUS program for assisting at-risk children, encouraging more parental participation in schools, and encouraging participation in after-school activities.

The managers are aware that the Department is examining how to strengthen management of education programs and would consider a reprogramming from education program adjustments to support education management.

The managers have retained the increases provided in both the House and Senate bills for the Intertribal Bison Cooperative.

Non-recurring Programs.—Changes to the House level for non-recurring programs include increases of $500,000 for the Rocky

Mountain Patient Advocate program, $750,000 for the rural Alaska fire program, $1,500,000 for the Salish and Kootenai College information technology program, $1,500,000 for water management planning, $400,000 for Alaska legal services, and a decrease of $970,000 for the endangered species program.

The managers expect funding provided for the Rocky Mountain Patient Advocate Program to be the last installment from this account. The program is expected to seek other methods of funding to become a self-sufficient, long term, advocacy program for Native Americans seeking health care.

The managers agree that within the water management and planning program, $200,000 is for the operation, maintenance, and repair of the Fort Peck Reservation tribal water system.

Special Programs and Pooled Overhead.—Changes to the House level for special programs and pooled overhead include increases of $49,000 for the United Tribes Technical College, $450,000 for the United Sioux Tribes Development Corporation, $1,250,000 for the Western Heritage Center tribal history and education project, $100,000 for the Rocky Mountain Tribal education symposia, $74,000 for the Crownpoint Institute and decreases of $4,500,000 for public safety and justice law enforcement and $58,000 for the National Ironworkers Training program.

The managers believe that the United Tribes Technical College and Crownpoint Institute are institutions of higher learning that provide an educational benefit to Indian country and should be included in future budget requests.

Bill Language.—The conference agreement includes language proposed by the Senate that continues to allow the use of contract support funds for indirect contract support costs. The House included language that allowed the use of contract support funds for both direct and indirect costs.

The managers believe that any change to the allocation of contract support costs must be done formally with tribal consultation and any funding for direct contract support costs should be above the current levels provided for indirect contract support costs.

CONSTRUCTION

The conference agreement provides $275,637,000 for construction instead of $284,137,000 as proposed by the House and $267,137,000 as proposed by the Senate. Changes to the House level include an increase of $7,500,000 for irrigation projects and decreases of $10,000,000 for replacement school construction, $1,000,000 for employee housing, and $5,000,000 for facilities improvement and repair.

The addition of $7,500,000 in non-reimbursable construction funds for Indian irrigation rehabilitation is separate from the Navajo Indian Irrigation Project, which retains its own construction budget of $12,773,000. Within the funds provided for Indian irrigation rehabilitation, a number of Bureau and tribal projects are in desperate need of immediate attention to continue delivering water to users. The Bureau is expected to consult with the House and Senate Committees on Appropriations, in the form of a detailed proposal, prior to obligating funds. The Bureau is expected to administer these funds from the central office program level to address projects with the greatest need of rehabilitation. Construction of new projects or expansion of existing projects is secondary to the rehabilitation, reconstruction, and necessary upgrade of current irrigation projects and systems. Specific projects to be addressed under these guidelines, and to be addressed in the Bureau's proposal for the obligation of these funds are: the Fort Yates Unit of the Standing Rock Sioux Project, the Blackfeet Irrigation Project, the Crow Irrigation Project, the Fort Belknap Irrigation Project, the Fort Peck Irrigation Project, and the Wind River Irrigation Project.

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

The conference agreement provides $34,754,000 for Indian land and water claim settlements and miscellaneous payments to Indians as proposed by the House instead of $24,754,000 as proposed by the Senate.

The managers have agreed to $10,000,000 for the Quinault Indian Nation settlement and retained bill language included in the House that authorized the payment. The managers understand that this is the final payment for this settlement.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

The conference agreement provides $6,348,000 for the Indian guaranteed loan program as proposed by both the House and the Senate.

DEPARTMENTAL OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

The conference agreement provides $76,883,000 for assistance to territories instead of $76,563,000 as proposed by the House and $76,683,000 as proposed by the Senate. Changes in funding levels from the House recommendation include the Senate recommendation for an additional $320,000 to continue judicial, court education, and court administration training.

COMPACT OF FREE ASSOCIATION

The conference agreement provides $5,362,000 for the compact of free association as proposed by the House instead of $4,862,000 as proposed by the Senate. The conference agreement follows the funding recommendations made by the House.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement provides $127,183,000 for departmental management instead of $97,755,000 as proposed by the House and $104,627,000 as proposed by the Senate. The changes described below are to the House recommended funding level.

Management and Coordination.—Performance data contracting/financial management is reduced by $250,000.

Central Services.—IT certification and accreditation is reduced by $322,000.

Financial and Business Management System.—The conference agreement reduces the Financial and Business Management System by $1,000,000.

Other Items.—The conference agreement restores $21,000,000 for necessary expenses for management of the Department of the Interior.

Bill Language.—The conference agreement retains language proposed by the Senate deriving $7,441,000 from the Land and Water Conservation Fund for consolidated land acquisition appraisal services, and prohibiting the use of funds in this Act or previous appropriations Acts to establish reserves in the Working Capital Fund other than for accrued annual leave and depreciation of equipment without prior House and Senate Committee approval.

PAYMENTS IN LIEU OF TAXES

The conference agreement provides $236,000,000 for payments in lieu of taxes instead of $242,000,000 as proposed by the House and $235,000,000 as proposed by the Senate.

CENTRAL HAZARDOUS MATERIALS FUND

The conference agreement provides $9,855,000 for the central hazardous materials fund as proposed by the House and the Senate.

The conference agreement includes language included in the Senate bill that makes provisions for this account permanent. The House did not include permanent language.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

The conference agreement provides $55,440,000 for the office of the solicitor instead of $55,340,000 as proposed by the House and $55,652,000 as proposed by the Senate. The change described below is to the House recommended funding level.

General Administration.—Funding for a FOIA appeals support position is increased by $100,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

The conference agreement provides $39,116,000 for office of inspector general as proposed by the Senate, instead of $39,566,000 as proposed by the House. The changes described below are to the House recommended funding level.

Audits.—Funding for FISMA/audit capability is decreased by $300,000.

Investigations.—Funding for additional audit staff is decreased by $150,000.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

The conference agreement provides $191,593,000 for Federal trust programs as proposed by both the House and the Senate. The managers have retained language contained in the House bill that caps the total amount of funding that can be used for historical accounting activities at $58,000,000.

The managers are closely following efforts to settle the long-standing Cobell v. Norton case and reiterate their position that any settlement to the case must be implemented in such a way that the programs in this bill are not adversely affected. The House and Senate Committees on Appropriations will not consider any settlement that decreases available funding for programs in Indian country funded in this bill. Further, the managers disagree with the continued insistence by the court that the Department of the Interior, to fulfill the intent of Congress, must perform a full historical accounting. This results in the Department of the Interior being forced to divert resources and negatively impacts programs in Indian country.

INDIAN LAND CONSOLIDATION

The conference agreement provides $34,514,000 for Indian land consolidation programs as proposed by both the House and the Senate.

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

The conference agreement provides $6,106,000 for the natural resource damage assessment fund as proposed by both the House and the Senate.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

Section 101. The conference agreement modifies a provision in section 101 of both the House and Senate bills, providing Secretarial authority to transfer program funds for expenditures in cases of emergency when all other emergency funds are exhausted.

Section 102. The conference agreement modifies a provision in section 102 of both the House and Senate bills, providing for expenditure or transfer of funds by the Secretary in the event of actual or potential emergencies including forest fires, range fires, earthquakes, floods, volcanic eruptions, storms, oil spills, grasshopper and Mormon cricket outbreaks, and surface mine

reclamation emergencies. The modification requires transferred funds to be replenished by a supplemental appropriation and to be reimbursed on a pro rata basis.

Section 103. The conference agreement retains an identical provision in section 103 of both the House and Senate bills, continuing a provision providing for use of appropriated funds for contracts, rental cars and aircraft, certain library memberships, and certain telephone expenses.

Section 104–106. The conference agreement retains identical provisions in sections 104–106 of both the House and Senate bills, continuing provisions prohibiting the expenditure of funds for Outer Continental Shelf (OCS) leasing activities in certain areas.

Section 107. The conference agreement retains an identical provision in section 108 of the House bill and section 107 of the Senate bill, continuing a provision permitting the transfer of funds between the Bureau of Indian Affairs and the Office of Special Trustee for American Indians.

Section 108. The conference agreement retains a provision in section 108 of the Senate bill, continuing through fiscal year 2010 a provision that allows the hiring of administrative law judges to address the Indian probate backlog. The House had a similar provision in section 109 of the House bill.

Section 109. The conference agreement retains an identical provision in section 110 of the House bill and section 109 of the Senate bill, continuing a provision permitting the redistribution of tribal priority allocation and tribal base funds to alleviate funding inequities.

Section 110. The conference agreement retains a provision in section 110 of the Senate bill, continuing a provision requiring the allocation of Bureau of Indian Affairs postsecondary schools funds consistent with unmet needs. The House had a similar provision in section 111 of the House bill.

Section 111. The conference agreement retains an identical provision in section 112 of the House bill and section 111 of the Senate bill, continuing a provision permitting the conveyance of the Twin Cities Research Center of the former Bureau of Mines for the benefit of the National Wildlife Refuge System.

Section 112. The conference agreement retains an identical provision in section 113 of the House bill and section 112 of the Senate bill, continuing a provision authorizing the Secretary of the Interior to use helicopters or motor vehicles to capture and transport horses and burros at the Sheldon and Hart National Wildlife Refuges.

Section 113. The conference agreement modifies an identical provision in section 114 of the House bill and section 113 of the Senate bill, continuing a provision allowing certain funds provided for land acquisition at the Shenandoah Valley Battlefield NHD and Ice Age NST to be granted to a State, a local government, or any other land management entity. The modification adds Niobrara NSR.

Section 114. The conference agreement retains an identical provision in section 115 of the House bill and section 114 of the Senate bill, continuing a provision prohibiting the closure of the underground lunchroom at Carlsbad Caverns NP, NM.

Sec. 115. The conference agreement retains a provision in section 116 of the House bill, continuing a provision preventing the demolition of a bridge between New Jersey and Ellis Island. The Senate had no similar provision.

Sec. 116. The conference agreement retains an identical provision in section 117 of the House bill and section 115 of the Senate bill, continuing a provision limiting compensation for the Special Master and Court Monitor appointed by the Court in Cobell v. Norton to 200 percent of the highest Senior Executive Service rate of pay.

Sec. 117. The conference agreement retains an identical provision in section 118 of the House bill and section 116 of the Senate bill, continuing a provision allowing the Secretary to pay private attorney fees for employees and former employees incurred in connection with Cobell v. Norton.

Sec. 118. The conference agreement retains a provision in section 119 of the House bill dealing with the U.S. Fish and Wildlife Service's responsibilities for mass marking of salmonid stocks. The Senate had no similar provision.

Sec. 119. The conference agreement retains an identical provision in section 121 of the House bill and section 117 of the Senate bill, continuing a provision prohibiting certain activities on lands described in section 123 of the Department of the Interior and Related Agencies Appropriations Act, 2001, or land that is contiguous to that land.

Sec. 120. The conference agreement retains an identical provision in section 122 of the House bill and 118 of the Senate bill, continuing a provision prohibiting the use of funds to study or implement a plan to drain or reduce water levels in Lake Powell.

Sec. 121. The conference agreement retains an identical provision in section 123 of the House bill and section 119 of the Senate bill, continuing a provision allowing the National Indian Gaming Commission to collect $12,000,000 in fees for fiscal year 2007.

Sec. 122. The conference agreement retains a provision in section 120 of the Senate bill, continuing a provision making funds available to the tribes within the California Tribal Trust Reform Consortium and others on the same basis as funds were distributed in fiscal year 2003 and separates this demonstration project from the Department of the Interior's trust reform organization. The House had a similar provision in section 124 of the House bill.

Sec. 123. The conference agreement retains an identical provision in section 125 of the House bill and section 121 of the Senate bill, continuing a provision dealing with grazing permits in the Jarbidge field office of the Bureau of Land Management.

Sec. 124. The conference agreement retains an identical provision in section 126 of the House bill and section 122 of the Senate bill, continuing a provision authorizing the Secretary of the Interior to acquire lands for the operation and maintenance of facilities in support of transportation of visitors to Ellis, Governors, and Liberty Islands.

Sec. 125. The conference agreement retains a provision in section 127 of the House bill, continuing a provision regarding special use grazing permits on the Mojave National Preserve, CA. The Senate had no similar provision.

Sec. 126. The conference agreement retains a provision in section 123 of the Senate bill, continuing a provision implementing rules concerning winter snowmobile use in Yellowstone National Park. The House had a similar provision with a slight technical difference in section 128 of the House bill.

Sec. 127. The conference agreement retains a provision in section 124 of the Senate bill, requiring the Secretary of the Interior to obtain the approval of the governing body of an Indian tribe before closing or taking any other action relating to a school of the tribe. The House had no similar provision.

Sec. 128. The conference agreement retains a provision in section 126 of the Senate bill, extending authority of the Kalaupapa National Historic Park Advisory Commission. The House had no similar provision.

Sec. 129. The conference agreement retains a provision in section 127 of the Senate bill, extending the authority of the Secretary of the Interior to collect fees pursuant to the Surface Mining Control and Reclamation Act until June 20, 2006.

Sec. 130. The conference agreement includes a new provision prohibiting the use of funds to set up Centers of Excellence and Partnership Skills Bank training without prior approval.

Sec. 131. The conference agreement modifies a provision in section 430 of the Senate bill that authorizes the National Park Service to assess a fee on overnight lodging guests at leased Fort Baker buildings in Golden Gate National Recreation Area to pay the operating expenses associated with the utilities and shuttle system of those facilities at Fort Baker. The House had no similar provision.

Sec. 132. The conference agreement modifies a provision in section 431 of the Senate bill, authorizing the retention of campground fees at Great Smoky Mountains National Park. The House had no similar provision.

Sec. 133. The conference agreement modifies a provision in section 438 of the Senate bill, providing for a feasibility study on designation of the Captain John Smith Chesapeake National Historic Watertrail as a national historic trail. The modification requires an analysis of the impacts on privately owned land and water. The House had no similar provision.

Sec. 134. Provides $10,000,000 for the Martin Luther King, Jr. Memorial in Washington, DC, and extends for two years the authorization for the Memorial. The funds provided in this section are to be matched by the newly raised, non-Federal funds.

The conference agreement does not include a provision in section 107 of the House bill prohibiting the National Park Service from reducing recreation fees for non-local travel through any park unit.

The conference agreement does not include a provision in section 120 of the House bill dealing with paying for operational needs at the Midway Atoll National Wildlife Refuge airport using funds appropriated under the ''Departmental Management, Salaries and Expenses'' appropriation.

The conference agreement does not include a provision in section 129 of the House bill, limiting the use of funds for staffing for the Department of the Interior's Office of Law Enforcement and Security. The Department has assured the managers that staffing will be limited to 34 full time equivalent employees and eight detailed staff, except in the event of an emergency.

The conference agreement does not include a provision in section 125 of the Senate bill authorizing the Secretary of the Interior to collect and retain parking fees at the U.S.S. Arizona Memorial. The managers understand that the Department has determined that the Secretary currently has such authority pursuant to the Federal Lands Recreation Enhancement Act (FLREA).

TITLE II—ENVIRONMENTAL PROTECTION AGENCY

SCIENCE AND TECHNOLOGY

The conference agreement provides $741,722,000 for science and technology instead of $765,340,000 as proposed by the House and $730,795,000 as proposed by the Senate. Changes to the House recommended level are described below.

Air Toxics and Quality.—In air toxics and quality, there is a decrease of $619,000 for the clean air allowance trading programs.

Climate Protection.—In climate protection programs, there is a decrease of $1,000,000.

Research/Congressional Priorities.—The conference agreement provides a total of $33,275,000 for high priority projects, a decrease of $6,725,000 below the House recommended level. The managers have not

agreed to a competitive solicitation this year for these programs. This issue may be revisited in future years. The managers agree to the following distribution of funds:

State	Project name	Amount
1. AL	University of South Alabama Center for Estuarine Research	$500,000
2. CA	Central California Ozone Study, San Joaquin Valleywide Air Pollution Study Agency	375,000
3. CA	Irrigation Training and Research Center—Cal Poly., San Luis Obispo Flow Rate Measurement	1,200,000
4. DE	Center for the Study of Metals in the Environment at the University of Delaware	250,000
5. FL	FL Dept. of Citrus Abscission Chemical Studies	1,000,000
6. ID	Boise State University to continue research on multi-purpose sensors to detect and analyze contaminants and time-lapse imaging of shallow sub-surface fluid flow.	500,000
7. IL	Clean Air Counts program emission reduction partnership with the Illinois Environmental Protection Agency	800,000
8. KY	University of Louisville Lung Biology/Translational Lung Disease Program	1,500,000
9. LA	Louisiana Smart Growth program in the State of Louisiana	500,000
10. NC	UNC Charlotte VisualGRID	500,000
11. ND	Center for Air Toxic Metals, EERC at the University of North Dakota	2,000,000
12. NM	National Environmental Respiratory Center [NERC] at the Lovelace Respiratory Research Institute in Albuquerque, New Mexico	500,000
13. NY	Alfred University Center for Environmental and Energy Research	750,000
14. NY	Environmental Systems Center of Excellence at Syracuse Univ., NY Indoor Environment Quality	2,000,000
15. OH	Ohio University Consortium for Energy, Economics, and the Environment	500,000
16. OH	The Ohio State University Olentangy River Wetlands Park Teaching, Research, and Outreach Initiative	500,000
17. SD	Missouri River Institute at the University of South Dakota	400,000
18. TN	University of Memphis Groundwater Institute to conduct a groundwater study	500,000
19. TN	University of Tennessee at Knoxville Natural Resources Policy Center	500,000
20. TX	Comprehensive assessment of Lake Whitney at Baylor University	200,000
21. TX	Environmental program at the Water Policy Institute at Texas Tech University	450,000
22. TX	Mickey Leland National Urban Air Toxic Research Center	1,500,000
23. TX	Poultry science project at Stephen F. Austin State University	200,000
24. TX	Texas Air Quality Study 2	2,000,000
25. TX	Texas Institute for Applied Environmental Research	400,000
26. TX	Texas State University System Geography and Geology Project	800,000
27. VT	Aiken Greening at the University of Vermont	400,000
28. VT	Proctor Maple Research Station in Underhill, Vermont	200,000
29. WI	Paper industry byproduct waste reduction research in Wisconsin	250,000
30. WV	National Alternative Fuels Training Consortium at West Virginia University	2,000,000
31.	American Water Works Association Research Foundation	1,000,000
32.	Consortium for Plant Biotechnology Research	750,000
33.	Mine Waste Technology program at the National Environmental Waste Technology, Testing, and Evaluation Center	2,100,000
34.	New England Green Chemistry Consortium	750,000
35.	Southwest Center for Environmental Research and Policy	1,500,000
36.	Water Environment Research Foundation	3,000,000
37.	Water Systems Council Wellcare Program	1,000,000
Total		33,275,000

Research: Clean Air.—In research: clean air, there are decreases of $600,000 for global change and $2,000,000 for national ambient air quality standards.

Research: Clean Water.—In research: clean water, there is a decrease of $4,800,000 for water quality programs.

Research: Human Health and Ecosystems.—In research: human health and ecosystems, there is an increase of $15,000 for fellowships and decreases of $213,000 for endocrine disruptor research and $5,376,000 for other research, which includes decreases of $2,000,000 for exploratory grants, $600,000 for aggregate risks, $500,000 for condition assessments of estuaries in the Gulf of Mexico, and $2,276,000 for a general program reduction, which should be applied after consultation with the House and Senate Committees on Appropriations.

Research: Land Protection.—In research: land protection, there is a decrease of $2,300,000 for land protection and restoration.

Other.—The managers do not agree with the transfer of research funds to other offices. In addition to the offices mentioned in House Report 109–80, this direction applies to the Office of the Administrator, which was inadvertently omitted from the House report.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

The conference agreement provides $2,381,752,000 for environmental programs and management instead of $2,389,491,000 as proposed by the House and $2,333,416,000 as proposed by the Senate. Changes to the House recommended level are described below.

Air Toxics and Quality.—In Federal support for air quality management, there are decreases of $5,000,000 for the clean diesel initiative and $5,000,000 for other program activities. Other decreases include $400,000 for radiation protection programs, $156,000 for stratospheric ozone domestic programs, and $1,600,000 for stratospheric ozone multilateral programs.

Brownfields.—There is an increase of $362,000 for brownfields support.

Climate Protection Programs.—In climate protection, there are increases of $500,000 for the energy star program and $1,500,000 for the methane to markets program.

Compliance Monitoring.—There is a decrease of $3,184,000 for compliance monitoring.

Enforcement Programs.—In enforcement, there are increases of $1,500,000 for civil enforcement, $1,900,000 for criminal enforcement, and $500,000 for enforcement training.

Environmental Protection/Congressional Priorities.—The conference agreement provides a total of $50,543,000 for high priority projects, an increase of $10,543,000 above the House recommended level. The managers have not agreed to a competitive solicitation this year for these programs. This issue may be revisited in future years. The managers agree to the following distribution of funds:

State	Project Name	Amount
1. AL	Alabama Department of Environmental Management for a water and wastewater training program	$500,000
2. CA	Highland Learning Center	1,750,000
3. CT	Waste to Energy project in Stamford, Connecticut	250,000
4. CT	Wastewater turbine technology project for the City of New Haven, Connecticut	500,000
5. FL	University of West Florida Partnership for Environmental Research and Community Health [PERCH] program	500,000
6. HI	Hawaii Island Economic Development Board's Big Island Recycle program	500,000
7. IA	University of Northern Iowa to develop new environmental technologies for small business outreach	500,000
8. IA	Water quality project in Storm Lake, Iowa	500,000
9. IL	For an aquifer model of groundwater resources	938,000
10. LA	Grambling University in Louisiana for a water quality research program	200,000
11. LA	Lake Pontchartrain Basin Foundation lake restoration in Louisiana	500,000
12. MA	Environmental and science education program in New Bedford, Massachusetts	500,000
13. MD	Anacostia River Tidal Wetlands Project	1,000,000
14. MO	Ozarks Environmental and Water Resources Institute at Southwest Missouri State University	500,000
15. MO	Southwest Missouri Water Quality Improvement Project	1,500,000
16. MS	Environmental education initiative at Crow's Neck Environmental Education Center in Tishomingo County, Mississippi	130,000
17. MT	Air quality improvement program in Lincoln County, Montana	1,000,000
18. NC	EPA National Computer Center Research Triangle Park, NC Continuity of Operations/Disaster Recovery	2,000,000
19. NE	Lead-based paint hazard control program in Omaha, Nebraska	500,000
20. NJ	Restoration project in Greenwood Lake, New Jersey	300,000
21. NV	Walker Lake, Nevada Working Group's lake restoration program	250,000
22. NY	Central NY Watersheds in Onondaga and Cayuga Counties Water Quality Management	1,500,000
23. NY	Long Island Sound restoration	1,800,000
24. NY	Mohawk Valley, New York Water Authority's bacteria detection program	250,000
25. OK	Oklahoma Department of Environmental Quality to complete remediation work on Tar Creek	2,000,000
26. OR	Oregon Department of Environmental Quality site assessment program	250,000
27. RI	Waterfront stormwater management analysis in East Providence, Rhode Island	250,000
28. VT	Environmental clean-up and research programs in Lake Champlain, Vermont	775,000
29. VT	Storm water research program at the University of Vermont	450,000
30. WA	Northwest Straits Commission, Washington State University beach watchers marine resources program	250,000
31. WA	Rathdrum Prairie/Spokane Valley Aquifer study	300,000
32. WA	Spokane River Bi-State Non-Point Phosphorus study	250,000
33. WV	Canaan Valley Institute—On-going Operations	2,000,000
34.	America's Clean Water Foundation On-Farm Assessment and Environmental Review Program	3,000,000

State	Project Name	Amount
35.	EPA Region 10 environmental compliance	1,000,000
36.	Groundwater Protection Council	650,000
37.	National Assoc. of Development Organizations Training and Information Dissemination Related to Rural Brownfields, Air Quality Standards, and Water Infrastructure.	500,000
38.	National Biosolids Partnership	1,000,000
39.	National Rural Water Association, including source water protection programs	11,000,000
40.	Ohio River Pollutant Reduction Program	1,500,000
41.	Rural Community Assistance Program	3,500,000
42.	Small Public Water System Technology Centers at Western Kentucky University, the University of New Hampshire, the University of Alaska-Sitka, Pennsylvania State University, the University of Missouri-Columbia, Montana State University, the University of Illinois, and Mississippi State University.	4,000,000
Total		50,543,000

Geographic Programs.—In geographic programs, there are increases of $2,000,000 for the Chesapeake Bay program, $532,000 for the Gulf of Mexico program, and $1,167,000 in other activities for Lake Pontchartrain, and decreases of $45,000 for the Lake Champlain program and $1,523,000 for the Long Island Sound program.

Indoor Air Programs.—In indoor air, there is a decrease of $400,000 for radon programs.

Information Exchange/Outreach.—In information exchange/outreach, there is a decrease of $400,000 for State and local prevention and preparedness programs.

International Programs.—In international programs, there are decreases of $250,000 for international capacity building and $1,000,000 for the persistent organic pollutants program.

Legal/Science/Regulatory/Economic Review.—There is a decrease of $600,000 for the regulatory innovation program.

Pesticide Licensing.—In pesticide licensing, there is an increase of $3,041,000 for review/re-registration of existing pesticides.

Toxics Risk Review and Prevention.—In the toxics risk review and prevention program, there is an increase of $1,356,000 for the high production volume challenge and high production volume information system and a decrease of $1,582,000 for the pollution prevention program.

Water: Ecosystems.—There is an increase of $2,000,000 for Great Lakes Legacy Act programs.

Water: Human Health Protection.—There are decreases of $1,500,000 for drinking water programs and $10,000,000 for the National Rural Water Association, which is funded under the environmental protection/Congressional priorities activity detailed above.

Water Quality Protection.—There is a decrease of $2,000,000 for the water quality monitoring program.

Bill Language.—Language is included increasing the earmark for official reception and representation expenses to $19,000 for fiscal year 2006 only.

The managers agree to the following:

1. A total of $5,000,000 is provided for the clean diesel initiative as described in House Report 109–80.

2. Within stratospheric ozone domestic programs, the Sunwise program should be continued at the fiscal year 2005 funding level.

3. A total of $2,000,000 is provided for the Puget Sound geographic program under section 320 of the Federal Water Pollution Control Act, as amended. This program is to be administered by the Washington State Department of Ecology.

4. Within indoor air programs, $2,000,000 should be used to continue environmental tobacco-related programs. The managers note that, after this set-aside, there is still an increase for asthma programs above the fiscal year 2005 level.

OFFICE OF INSPECTOR GENERAL

The conference agreement provides $37,455,000 for the Office of Inspector General instead of $37,955,000 as proposed by the House and $36,955,000 as proposed by the Senate.

BUILDINGS AND FACILITIES

The conference agreement provides $40,218,000 for buildings and facilities as proposed by both the House and the Senate.

HAZARDOUS SUBSTANCE SUPERFUND

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement provides $1,260,621,000 for hazardous substance superfund instead of $1,258,333,000 as proposed by the House and $1,256,165,000 as proposed by the Senate. Changes to the House recommended level are detailed below.

Air Toxics and Quality.—In air toxics and quality, there is a decrease of $175,000 for radiation protection programs.

Enforcement.—In enforcement, there are increases of $200,000 for civil enforcement and $3,000,000 for Superfund enforcement.

Compliance.—In compliance, there are decreases of $11,000 for compliance assistance and centers, $11,000 for compliance incentives, and $200,000 for compliance monitoring.

Information Exchange and Outreach.—There is a decrease of $6,000 for congressional, intergovernmental, and external relations activities.

Information Technology/Data Management/Security.—There is a decrease of $3,000 for information security.

Operations and Administration.—In operations and administration, there is a decrease of $1,000,000 for facilities infrastructure and operations.

Superfund Cleanup.—In Superfund cleanup, there is an increase of $494,000 for emergency response and removal.

Bill Language.—Language is included earmarking $1,260,621,000 as the maximum payment from general revenues for Superfund instead of $1,258,333,000 as proposed by the House and $1,256,165,000 as proposed by the Senate.

The managers are concerned that EPA has not yet issued a Record of Decision (ROD) for Libby, Montana, despite years of cleanup efforts. The managers direct the Agency to issue its Record of Decision for Libby, Montana no later than May 1, 2006. EPA should also provide a report on the contents of the ROD to both the House and Senate Committees on Appropriations no later than June 15, 2006. The managers are disappointed that the Agency could not meet an earlier deadline, originally proposed by the Senate, and expect periodic updates on the progress of completion of the ROD for Libby, Montana.

The House proposed a study by the National Academy of Sciences of Superfund mega sites that involve dredging. Upon further reflection, the managers believe that the appropriate role for the NAS is to act as an independent peer review body that will conduct an objective evaluation of some of the ongoing dredging projects underway at Superfund mega sites. By undertaking such an evaluation, the Academy can serve as an objective voice on this issue. The manager expect that the evaluation will be initiated by December 1, 2005, and finished as soon as possible, but no later than one year after the Academy begins work. In addition, the managers insist that an such evaluation by the Academy should not delay in any way the progress of the Hudson River PCB dredging project or any other Superfund dredging project.

LEAKING UNDERGROUND STORAGE TANK PROGRAM

The conference agreement provides $73,027,000 for the leaking underground storage tank program as proposed by both the House and the Senate.

OIL SPILL RESPONSE

The conference agreement provides $15,863,000 for oil spill response as proposed by both the House and the Senate.

STATE AND TRIBAL ASSISTANCE GRANTS

(INCLUDING RESCISSIONS OF FUNDS)

The conference agreement provides $3,261,696,000 for State and Tribal assistance grants and a rescission of $80,000,000 from expired grants, contracts, and interagency agreements, instead of $3,227,800,000 and a rescission of $100,000 as proposed by the House and $3,453,550,000 and a rescission of $58,000,000 as proposed by the Senate, The rescission is to be taken from expired grants, contracts, and interagency agreements in the various EPA accounts and is not exclusive to this account.

Changes to the House recommended level are detailed below.

Air Toxics and Quality.—In air toxics and quality programs, there is a decrease of $3,000,000 for the clean school bus initiative.

Brownfields.—There is a decrease of $7,500,000 for brownfields projects.

Infrastructure Assistance.—There is an increase of $20,000,000 for infrastructure assistance for Alaska Native villages, a net decrease of $, ,000 for the clean water State revolving fund and a decrease of $4,000,000 for infrastructure assistance for Puerto Rico. The House proposal to direct rescinded funds to the CWSRF is not included in the conference agreement.

Infrastructure Grants/Congressional Priorities.—The conference agreement includes $200,000,000 for special project grants as proposed by both the House and the Senate. The managers agree to the following distribution of funds:

State	Project name	Amount
1. AK	Water and sewer project in the City of Craig, Alaska	$250,000
2. AK	Water and sewer project in Unalaska, Alaska	750,000
3. AL	Coosa Valley Water Supply District surface water project in Alabama	800,000
4. AL	Haleyville, AL North Industrial Area Water Storage Tank	50,000
5. AL	Heflin, AL Industrial Site Water and Sewer Project	150,000
6. AL	Huntsville, AL City of Huntsville Water System Improvements	1,000,000

State	Project name	Amount
7. AL	Sewer improvement project in the City of York, Alabama	700,000
8. AL	Twin, AL Twin Water Authority Water Systems Renovation	250,000
9. AL	Water main extension improvements project in Alexander City, Alabama	500,000
10. AR	Improvements to the Little Maumelle water treatment plant in the City of Little Rock, Arkansas	500,000
11. AR	Regional wastewater treatment improvements for the City of Fayetteville, Arkansas	500,000
12. AR	St. Charles, AR St. Charles Drainage Planning and Improvements	50,000
13. AZ	Avondale, AZ Avondale Wastewater Treatment Facility Expansion	1,500,000
14. AZ	Safford, AZ City of Safford Waste Treatment Plant Debt Repayment to Arizona Infrastructure Finance Authority	800,000
15. AZ	Tucson, AZ Tucson Water Security Demonstration Project	450,000
16. AZ	Wastewater treatment plant in Lake Havasu City, Arizona	1,500,000
17. CA	Arcadia, Sierra Madre, CA Joint Water Infrastructure	2,500,000
18. CA	Bakersfield, CA Rexland Acres Wastewater Treatment Project	1,500,000
19. CA	Bellflower, CA Drinking Water Infrastructure Improvement	378,000
20. CA	Cathedral City, CA Water and Wastewater Infrastructure Improvements	500,000
21. CA	Colfax, CA Colfax Wastewater Treatment Plant Improvement	600,000
22. CA	Georgetown, CA Greenwood Lake Water Treatment Facility	1,500,000
23. CA	Lake Arrowhead, CA Lake Arrowhead Groundwater Development	250,000
24. CA	Martin Slough interceptor project in the City of Eureka, California	375,000
25. CA	Monterey, CA Monterey County Development and Implementation of Water Management Plan	750,000
26. CA	Perchlorate treatment program in the City of Pasadena, California	375,000
27. CA	Riverside, CA Water and Wastewater Infrastructure Improvements	500,000
28. CA	San Bernardino, CA Lakes and Streams Project	1,000,000
29. CA	Santa Jose, CA Perchlorate Assistance Santa Clara Valley Water District	2,000,000
30. CA	Solana Beach, CA Solana Beach Wastewater System Improvements	1,000,000
31. CA	Southern California Water and Wastewater Infrastructure Improvements (Mission Springs Water District 1.6M, Brinton Reservoir (Banning) 1M, Bighorn-Desert View Water Agency 500K, SAWPA SARI 450K, Yucca Valley 350K, Dunlap 100K).	4,000,000
32. CA	Wastewater treatment plant expansion in Crescent City, California	375,000
33. CA	Water and wastewater infrastructure improvements project for the San Francisco Public Utility Commission in California	500,000
34. CA	Water facility project in the City of Santa Paula, California	375,000
35. CO	Drinking water project in the Town of Walden, Colorado	800,000
36. CO	Stormwater improvement program in Jefferson County, Colorado	500,000
37. CO	Wastewater facility upgrades in Yuma, Colorado	100,000
38. CO	Wastewater treatment facility improvements project in Brush, Colorado	100,000
39. CO	Wastewater treatment plant improvements in the Cities of Englewood and Littleton, Colorado	500,000
40. CO	Water treatment facility in the City of Alamosa, Colorado	650,000
41. CT	East Hampton, CT Municipal Water System Improvements	1,200,000
42. CT	Infrastructure upgrades at water pollution control plant in the Town of Plainville, Connecticut	500,000
43. CT	Stamford, CT Mill River Stormwater Management Infrastructure Improvements	1,000,000
44. DE	Combined sewer overflow program in the City of Wilmington, Delaware	1,000,000
45. FL	Citrus County, FL Homosassa Wastewater Collection System Project	750,000
46. FL	Coral Springs, FL Water and Wastewater Infrastructure Improvements	700,000
47. FL	East Central, FL East-Central Florida Integrated Water Resources	1,500,000
48. FL	Emerald Coast treatment plant replacement project for the Northwest Florida Water Management District	800,000
49. FL	Jacksonville Beach, FL North 2nd Street Drainage Collection and Treatment System	1,000,000
50. FL	Keaton Beach, FL Taylor Coastal Wastewater Project	750,000
51. FL	Lake Region water treatment plant improvements for the South Florida Water Management District	300,000
52. FL	North Port, FL Water and Wastewater Infrastructure Improvements	500,000
53. FL	Pinellas Park, FL On-site Sewerage system elimination	1,787,000
54. GA	Columbus, GA—Ox Bow Meadows Wastewater Improvements	1,000,000
55. GA	Moultrie, GA City of Moultrie Wastewater Treatment Plant Rehabilitation	350,000
56. GA	West Area Combined Sewer Overflow Tunnel in the City of Atlanta, Georgia	500,000
57. HI	Statewide cesspool replacement in the following counties, $500,000 for the County of Hawaii; $400,000 for the County of Kauai; and, $100,000 for the City and County of Hawaii.	1,000,000
58. IA	Combined sewer separation project in the City of Ottumwa, Iowa	800,000
59. IA	Construction of a wastewater treatment plant in Sioux City, Iowa	500,000
60. IA	Mason City, IA Sanitary Sewer Interceptor Project	1,000,000
61. IA	Sewer separation project in the City of Davenport, Iowa	800,000
62. ID	Construction of a wastewater collection and treatment facility in Valley County, Idaho	600,000
63. ID	Wastewater treatment project in the City of Twin Falls, Idaho	500,000
64. ID	Water system infrastructure improvements in the City of Castleford, Idaho	400,000
65. IL	Big Rock, IL Big Rock South Side Drainage System	175,000
66. IL	Calumet City, IL Water and Sewer Improvements	275,000
67. IL	Construction of a wastewater treatment facility in the Village of Pecatonica, Illinois	250,000
68. IL	Drinking water improvements in the City of Wauconda, Illinois	750,000
69. IL	Drinking water infrastructure improvements in the City of Springfield, Illinois	250,000
70. IL	Hampshire, IL Water and Wastewater System Improvements	600,000
71. IL	Hinckley, IL Water Main Replacement	418,000
72. IL	Pleasant Plains, IL New Sanitary Sewer Collection System and Wastewater Treatment Facilities	765,000
73. IL	Sewer Improvement Consortium of Lake Bluff, Highwood, Highland Park and Lake Forest, Illinois	500,000
74. IL	Water system upgrades in the Village of Port Byron, Illinois	250,000
75. IN	Construction of a wastewater treatment facility in Morgan County, Indiana for the Town of Waverly	750,000
76. IN	Sandborn, IN Water and Wastewater Infrastructure Improvements	500,000
77. IN	Valparaiso, IN Valparaiso Sewer Infrastructure Improvements	825,000
78. IN	Water infrastructure upgrades in the City of Upland, Indiana	1,700,000
79. KS	New drinking water transmission line in the City of Medicine Lodge, Kansas	500,000
80. KS	Water infrastructure improvements in Johnson County, Kansas	500,000
81. KS	Rose Hill, KS City of Rose Hill Sewer System Improvements	2,500,000
82. KY	City of Columbia, Kentucky, and the Adair County Regional Water Treatment Plant	500,000
83. KY	Louisville, KY Louisville Olmsted Parks Conservancy Watershed Restoration	1,000,000
84. KY	Somerset, KY Somerset Wastewater Treatment Plant	3,200,000
85. KY	Wastewater sewer line extension project in the City of South Campbellsville, Kentucky	1,000,000
86. KY	Wastewater treatment plant expansion project in Culver City, Kentucky	500,000
87. LA	Shreveport Municipal Water Distribution system backflow prevention project in Shreveport, Louisiana	400,000
88. LA	South Lake Charles, LA Wastewater Treatment Plant	1,000,000
89. LA	Tioga, LA Water Works District No. 3 of Rapides Parish—Drinking Water Extension	1,500,000
90. MA	Combined sewer overflow abatement project in Bristol County, Massachusetts	1,000,000
91. MA	Hartford, CT; Springfield, Chicopee, Holyoke, Ludlow, South Hadley, MA Connecticut River Clean-up	2,000,000
92. MD	Anacostia Sanitary Sewer Overflow	500,000
93. MD	Combined sewer overflow project in the City of Cumberland, Maryland	350,000
94. MD	Combined sewer overflow project in the City of Frostburg, Maryland	500,000
95. MD	Combined sewer overflow project in the City of Westernport, Maryland	500,000
96. MD	Greenmount Interceptor sewer improvement project in the City of Baltimore, Maryland	1,000,000
97. MD	Port Tobacco, MD Port Tobacco Watershed Water and Wastewater Infrastructure Improvements	200,000
98. MD	Sewer line repair project in the City of Emmitsburg, Maryland	150,000
99. MD	Wastewater lagoon repair in the City of Funkstown, Maryland	150,000
100. ME	Wastewater treatment project in the Town of Machias, Maine	500,000
101. ME	Waterline extension and water system upgrade project in the Town of Dover-Foxcroft, Maine	472,000
102. MI	Combined sewer overflow control program for the City of Port Huron, Michigan	1,000,000
103. MI	Detroit, MI Far Eastside Water and Wastewater Infrastructure Improvement Project	1,500,000
104. MI	North-East Relief Sewer [NERS] project in Genesee County, Michigan	250,000
105. MI	Oakland County, MI Evergreen-Farmington Sanitary Sewer Overflow Control Demonstration Project	2,000,000
106. MI	Public sewer system improvements in the City of Northport, Michigan	250,000
107. MI	Regional wastewater treatment system improvements in Eastern Calhoun County, Michigan	225,000
108. MI	Rouge River CSO, SSO Wet Weather demonstration project in Wayne County, Michigan	500,000
109. MI	Sewage treatment program in Traverse City, Michigan	150,000
110. MI	Sewer plant improvements in the City of Saginaw, Michigan	250,000
111. MN	Construction of a new wastewater treatment plant in the City of Willmar, Minnesota	500,000
112. MN	Minneapolis, MN Combined Sewer Overflow Program	1,500,000
113. MN	Sanitary management district of Crow Wing County, Minnesota	500,000
114. MN	Western Lake Superior Sanitary District in the City of Duluth, Minnesota	500,000
115. MO	Expansion of the Clarence Cannon Wholesale Water Commission treatment Plant in Missouri	500,000
116. MO	Springfield, MO Wastewater System improvements	1,200,000
117. MO	St. Louis, Missouri Combined Sewer Overflow Project	1,000,000
118. MO	Wastewater improvements project in the City of Seneca, Missouri	850,000

State	Project name	Amount
119. MS	Drinking water and wastewater treatment improvements project in the Chipley area in the City of Pascagoula, Mississippi	747,000
120. MS	Regional wastewater program in DeSoto County, Mississippi	500,000
121. MS	Wastewater infrastructure evaluation and repair project in the City of Ridgeland, Mississippi	500,000
122. MS	Wastewater system rehabilitation for the West Rankin Water Authority in Mississippi	2,000,000
123. MS	Wastewater treatment facilities improvements in the City of Pontotoc, Mississippi	1,200,000
124. MS	Wastewater treatment improvements in the City of Brookhaven, Mississippi	1,000,000
125. MS	Wastewater treatment improvements in the City of Flowood, Mississippi	500,000
126. MS	Wastewater treatment improvements project in Wheeler, Mississippi	750,000
127. MS	Water and sewer infrastructure project in Forrest County, Mississippi	700,000
128. MS	Water and sewer infrastructure project in the City of Biloxi, Mississippi	1,000,000
129. MS	Water and sewer infrastructure project in the Town of McLain, Mississippi	250,000
130. MT	Drinking water system upgrades in the City of Belgrade, Montana	750,000
131. MT	Havre, MT Rocky Boy's/North Central Montana Regional Water System	1,000,000
132. MT	Wastewater treatment improvements in the Pablo/Lake County Water and Sewer District, Montana	500,000
133. MT	Wastewater treatment improvements in the Seeley Lake Sewer District, Montana	1,000,000
134. MT	Wastewater treatment improvements in the Town of St. Ignatius, Montana	750,000
135. MT	Wastewater treatment improvements in the Wisdom Sewer District, Montana	500,000
136. MT	Wastewater treatment plant improvement project in the City of Bozeman, Montana	170,000
137. MT	Water system infrastructure improvements in the City of Helena, Montana	2,250,000
138. NC	Anson County, NC Raw Water Intake Project	1,000,000
139. NC	Brightwater, NC Water and Wastewater Infrastructure Improvements (water distribution system) (grantee is City of Hendersonville)	587,000
140. NC	Cedar Grove, NC Cedar Grove Waterline Project	253,000
141. NC	Charlotte, NC Providence Road Water Line project	1,000,000
142. NC	Haywood County, NC Water and Wastewater Infrastructure Improvements (Town of Clyde 500k, Canton 500k)	1,000,000
143. NC	Kannapolis, NC Groundwater Storage Tank & Fire Pump System	500,000
144. NC	Mitchell County, NC Ledger Community Water and Wastewater Infrastructure Improvements	500,000
145. NC	Moore County, NC North West Moore Water District Water and Wastewater Infrastructure Improvements	500,000
146. NC	Sylva, NC Jackson County Water and Wastewater Infrastructure Improvements	500,000
147. NC	Wake County, NC Jordan Lake Water and Wastewater Infrastructure Improvements	1,500,000
148. NC	Wilson, NC Wilson Wastewater Infrastructure Program	1,000,000
149. NC/VA	Sparta, NC & Independence, VA Virginia Carolina Water Authority Water and Wastewater Infrastructure Improvements	1,000,000
150. ND	Drinking water distribution improvements for the North Central Rural Water Consortium, North Dakota	250,000
151. ND	Regional drinking water infrastructure expansion for the Towns of Hankinson, Wyndemere, LaMoure, and Oakes, North Dakota (Southeast Area)	300,000
152. ND	Regional water treatment facility improvements in the City of Washburn, North Dakota	700,000
153. ND	Regional water treatment facility infrastructure in the City of Riverdale, North Dakota	500,000
154. ND	Rural water district infrastructure improvements in Walsh County, North Dakota	250,000
155. ND	Wastewater treatment facility upgrades in the City of Lakota, North Dakota	300,000
156. ND	Water and sewer improvement projects in the City of Crosby, North Dakota	250,000
157. ND	Water infrastructure improvements in the City of Devils Lake, North Dakota	500,000
158. ND	Water treatment plant regulatory improvements in the City of Grafton, North Dakota	725,000
159. NE	Combined sewer separation projects in the City of Omaha, Nebraska	500,000
160. NE	Water and wastewater infrastructure improvements in the City of Lincoln, Nebraska	500,000
161. NH	Combined sewer overflow separation project in the City of Manchester, New Hampshire	500,000
162. NH	Exeter, NH Water and Wastewater Infrastructure Improvements	1,000,000
163. NH	Waterworks Project in the City of Berlin, New Hampshire	500,000
164. NJ	$250,000 for the Rahway City Sanitary Sewer I&I, and $250,000 for the Rahway Valley Sewerage Authority	500,000
165. NJ	Bergen County, NJ Bergen County Wastewater Infrastructure Improvements	1,000,000
166. NJ	Passaic Valley, NJ Passaic Valley Sewerage Commission Combined Sewage Overflow Project	2,500,000
167. NJ	Stormwater infrastructure improvements at Farnham Park in the City of Camden, New Jersey	500,000
168. NM	Construction of a wastewater treatment system in Kirtland, New Mexico	1,000,000
169. NM	Village of Tijeras, NM Phase III Water System	952,000
170. NM	Wastewater and drinking water improvements project for the Albuquerque/Bernalillo Water Utility Authority in New Mexico	1,000,000
171. NM	Wastewater collection, treatment, and disposal system in the Town of Edgewood, New Mexico	1,000,000
172. NM	Wastewater project in the City of Belen, New Mexico	1,000,000
173. NM	Water project in the City of Las Cruces, New Mexico	1,000,000
174. NV	Henderson, NV Southwest Wastewater Treatment Plant	1,000,000
175. NV	Searchlight sewer system upgrades/Clark County Reclamation District improvement project in Nevada	650,000
176. NV	Water and wastewater infrastructure improvements for the Marlette/Hobart water system in Carson City, Nevada	50,000
177. NV	Water infrastructure improvements for the North Lemmon Valley Artificial Recharge Project in North Lemmon Valley, Nevada	150,000
178. NV	Water infrastructure improvements in Douglas County, Nevada	400,000
179. NY	Ballston Spa, NY Saratoga County Water Treatment and Transmission Facilities	3,000,000
180. NY	Cayuga County, NY Village of Fairhaven Wastewater Infrastructure Improvements	750,000
181. NY	Corning, NY Water and Wastewater Infrastructure Improvements	750,000
182. NY	Dunkirk, NY Chadwick Bay West End Water and Wastewater Infrastructure Improvements	400,000
183. NY	Monroe County Water Authority Eastside Water Treatment Project Water and Wastewater Infrastructure Improvements	2,000,000
184. NY	Mt. Pleasant, NY Stormwater Infrastructure Improvements	138,000
185. NY	Saugerties, NY Saugerties Water and Wastewater Infrastructure Improvements	2,100,000
186. NY	Stormwater restoration project in the Town of North Hempstead, New York	1,000,000
187. NY	Water and sewer extension project in the Town of Bethel, New York	1,000,000
188. OH	Canal Winchester, OH Village of Canal Winchester Water Treatment Plant Expansion	500,000
189. OH	Construction of a sewer collection and treatment system in the Village of Higginsport, Ohio	850,000
190. OH	Drinking water line replacement in Muskingum County, Ohio	200,000
191. OH	Galion, OH Wastewater Infrastructure Improvements	1,000,000
192. OH	Greene Community in Greene County, Ohio for wastewater and drinking water projects	150,000
193. OH	Wastewater collection and treatment system in the City of Elmira, Ohio, and the City of Burlington, Ohio	800,000
194. OH	Yellow Springs, OH Morris Bean Sanitary Sewer Connection Project	125,000
195. OK	Nicoma Park, OK Nicoma Park Water Line	200,000
196. OK	Wewoka, OK City of Wewoka Well Water Access	275,000
197. OR	Sanitary district facility upgrades in the City of Winchester Bay, Oregon	750,000
198. PA	Allegheny County Sanitary Authority for the Three Rivers Wet Weather program in Allegheny County, Pennsylvania	1,750,000
199. PA	Ambridge, PA Drinking Water Infrastructure Improvements	92,000
200. PA	Central sewer collection and treatment replacement in Tulpehocken Township, Pennsylvania	250,000
201. PA	Combined sewer overflow and flood protection project in the City of Plum Creek and Allegheny County, Pennsylvania	800,000
202. PA	Interceptor improvements project in Penn Hills, Pennsylvania	200,000
203. PA	Kingston, PA Luzerne County Combined Sewer Overflow	1,000,000
204. PA	Pen Argyl Borough, PA Wastewater Treatment Plant	100,000
205. PA	Philadelphia, PA Southeastern Pennsylvania Waterways Restoration Stormwater Infrastructure Improvements	695,000
206. PA	Pleasantville, PA Borough of Pleasantville Water System Improvements	300,000
207. PA	Public sewer service extensions in Menallen Township, Pennsylvania	250,000
208. PA	Sewer improvement project in the Borough of Archbald, Pennsylvania	750,000
209. PA	Storm sewer pipe construction in Millcreek Township, Pennsylvania	250,000
210. PA	Stormwater infrastructure improvements project in the Borough of Pottstown, Pennsylvania	250,000
211. PA	Tarentum, PA Bull Creek Flood Protection Plan	1,000,000
212. PA	Water infrastructure improvements in the City of Lancaster, Pennsylvania	500,000
213. RI	Cumberland, RI Cumberland Drinking Water Infrastructure Improvements	500,000
214. RI	New water storage tank in the Town of Westerly, Rhode Island	875,000
215. RI	Water infrastructure improvements in the City of Cumberland, Rhode Island	500,000
216. RI	Water infrastructure improvements in the City of North Smithfield, Rhode Island	200,000
217. SC	Construction of the Maple Creek Water Treatment Plant for the Greer Commission of Public Works in Greer, South Carolina	500,000
218. SC	Myrtle Beach, SC Storm Water Management System	615,000
219. SC	Olar, SC Olar and Govan Regional Water System	733,000
220. SD	Water and wastewater master plan development in Rapid City, South Dakota	800,000
221. SD	Water infrastructure improvements in the City of Springfield, South Dakota	180,000
222. TN	East Tennessee Development District Water and Wastewater Infrastructure Improvements (Jefferson City 700k, Norris 300k, Cumberland Gap 250k, Jefferson County 300k).	1,550,000
223. TN	Lake Tansi Sewer Project in Cumberland County, Tennessee	1,000,000
224. TN	Southeast Tennessee Development District Water and Wastewater Infrastructure Improvements (Cleveland 550k, Ducktown 150k, Spring City 250k)	950,000
225. TN	Watauga River Regional Water Authority in Carter County, Tennessee	1,000,000
226. TN	West End water and wastewater infrastructure project in Oak Ridge, Tennessee	1,000,000
227. TX	Fresno/Arcola, TX Fort Bend County Water and Wastewater Infrastructure Improvements	2,000,000
228. TX	Liberty Hill, TX Liberty Hill Wastewater Treatment Facilities and Collection System	365,000
229. TX	Lorena, TX City of Lorena Wastewater Treatment Plant	350,000
230. TX	Richmond/Rosenberg, TX West Fort Bend County Regional Water System	570,000
231. TX	Sewer overflow prevention project in the City of Austin, Texas	500,000

State	Project name	Amount
232. UT	Arsenic and perchlorate removal project in Magna, Utah	700,000
233. UT	Construction of a drinking water nitrate remediation plant for Centerfield, Utah, and Mayfield, Utah	1,500,000
234. UT	Drinking water and stormwater infrastructure improvements in Sandy City, Utah	1,000,000
235. UT	Wastewater treatment plant in Eagle Mountain, Utah	500,000
236. UT	Water infrastructure improvements for Judge Tunnel in Park City, Utah	300,000
237. VA	Alexandria, VA Four Mile Run Restoration	1,500,000
238. VA	Construction of wastewater treatment facilities expansion in Lee County, Virginia	500,000
239. VA	Hanover County, VA Water and Wastewater Infrastructure Improvements	682,000
240. VA	Henry County, VA Henry County Water System Connector to Pittsylvania County	110,000
241. VA	National Capital Region, VA, MD, DC Real-Time Drinking Water Distribution Security Monitoring	521,000
242. VA	Wastewater treatment infrastructure improvements project in the Town of Onancock, Virginia	500,000
243. VT	Wastewater treatment project in the Town of Pownal, Vermont	1,000,000
244. VT	Water treatment projects in the Town of Waitsfield, Vermont	1,000,000
245. WA	Carnation, WA City of Carnation Sewer Collection and Conveyance System	1,000,000
246. WA	Groundwater remediation project in North Clark County, Washington	500,000
247. WA	Hood Canal, WA Lower Hood Canal Wastewater Collection and Treatment System	5,000,000
248. WI	Metropolitan sewage district interceptor system program in the City of Milwaukee, Wisconsin	800,000
249. WI	Park Falls, WI Water and Wastewater Infrastructure Improvements (wells, pumphouse, water main)	1,000,000
250. WI	Pittsville, WI Wastewater Treatment Plant/Water and Wastewater Infrastructure Improvements	1,900,000
251. WI	Radionuclide standard drinking water project in the City of Waukesha, Wisconsin	800,000
252. WI	Rhinelander, WI Water and Wastewater Infrastructure Improvements (well, pumphouse, water main, storm sewer)	1,000,000
253. WV	Beckley, WV Piney Creek Interceptor Sewer Replacement Project	1,000,000
254. WV	Canaan Valley, WV Canaan Valley Decentralized Wastewater System	1,000,000
255. WV	Mineral County, WV Lakewood Wastewater Treatment Facility	220,000
256. WV	Spencer, WV Spencer Water and Wastewater Infrastructure Improvements	1,000,000
257. WY	Wastewater treatment plant improvements project in the City of Cheyenne, Wyoming	1,000,000
Total		200,000,000

Categorical Grants.—In categorical grants, there are increases of $1,000,000 for section 106 pollution control grants, $1,856,000 for targeted watershed grants, and $1,200,000 for wastewater operator training, and decreases of $934,000 for hazardous waste financial assistance, $1,772,000 for section 319 nonpoint source grants, $5,500,000 for section 106 water quality monitoring grants, $854,000 for public water system supervision, $600,000 for radon, $15,000,000 for water quality cooperative agreements, and $1,000,000 for wetlands program development.

Rescission.—The conference agreement modifies rescission language proposed by the House and the Senate and rescinds $80,000,000 from expired grants, contracts and interagency agreements instead of a rescission of $100,000,000 as proposed by the House and a rescission of $58,000,000 as proposed by the Senate. Although this language appears under the State and Tribal Assistance Grants heading, it applies to all EPA appropriation accounts. The conference agreement does not direct the rescinded funds to the clean water State revolving fund as proposed by the House nor does the language reference an April 2005 review by the Government Accountability Office as proposed by the House.

Other Bill Language.—Language is included making permanent the prohibition, proposed by the Senate, on the use of funds from the drinking water State revolving fund for health effects studies on drinking water contaminants. The managers note these studies are, and should continue to be, funded under the science and technology account.

Language is included, as proposed by the Senate, providing direction on the distribution of funds to address drinking water and wastewater infrastructure needs of Alaska Native villages.

Language proposed by the House referencing special project grants is included with a technical modification.

There is no earmark for the Fortuna Radar Site as proposed by the Senate.

Language is included making permanent the authority, proposed by the Senate, for States to transfer funds between the clean water and drinking water revolving funds.

Language is not included, which was proposed by the House, stipulating that special project funding from fiscal year 2000 or earlier that is not obligated on an approved grant by the end of fiscal year 2006 will be transferred to the appropriate State revolving fund. Instead, such funds that are not obligated on approved grants by September 1, 2006, are included in the rescission referenced above.

Language is not included, which was proposed by the House, providing for the transfer of excess funds after completion of special project grants to the appropriate State revolving fund. Instead such funds are included in the rescission referenced above.

Language is not included, which was proposed by the House, transferring funds from projects that are determined to be ineligible for a grant to the appropriate State revolving fund. The managers expect EPA to keep the House and Senate Committees on Appropriations apprised of grants that are determined to be ineligible.

Language is included making permanent the authority, proposed by the House, for EPA to make technical corrections to special project grants. The Senate had similar language but used the phrase ''notwithstanding any other provision of law''; whereas the House language and the language adopted in the conference agreement uses the phrase ''notwithstanding this or previous appropriations Acts''.

The conference agreement includes a minor technical correction to the school bus retrofit language.

The managers agree to the following:

1. Within the funds provided for the United States-Mexico border program, $4,000,000 is for the El Paso Utilities Board and $3,000,000 is for the City of Brownsville water supply project.

2. Within the categorical grant targeted watersheds program, $6,000,000 is for a regional pilot program for the Chesapeake Bay as described in Senate Report 109– 80.

ADMINISTRATIVE PROVISIONS

The conference agreement includes language proposed by the House regarding an exception to CERCLA relating to the qualifying date for brownfields grants or loans. The House had a single year provision. The Senate proposed to make this provision permanent.

Language is not included, which was proposed by the Senate, providing permanent authority for the use of brownfields grant funding for administrative expenses.

GENERAL PROVISIONS, ENVIRONMENTAL PROTECTION AGENCY

Section 201 modifies language, proposed by the Senate in sections 201 and 202 and by the House in section 434, dealing with human dosing studies. The managers note the many concerns expressed on both the House and Senate floors with respect to intentional human toxicity dosing studies relied upon by the EPA in reviewing applications for pesticide approvals. Concern is particularly acute for pregnant women, fetuses, and children. The managers believe this is a very serious issue that needs to be addressed by EPA as soon as possible. The managers have included statutory language that prohibits the EPA from accepting, considering, or relying on third party intentional dosing human toxicity studies for pesticides until EPA issues a final rulemaking addressing such studies. The language also requires EPA to provide for at least a 90–day public comment period on its proposed rule and to issue the final rule no later than 180 days after enactment of this Act. Such rule shall not permit the use of pregnant women, infants or children as subjects; shall be consistent with the principles proposed in the 2004 report of the National Academy of Sciences on intentional human dosing and the principles of the Nuremberg Code with respect to human experimentation; and shall establish an independent Human Subjects Review Board.

Section 202 includes the text of Senate section 435 prohibiting the use of funds in contravention of Executive Order 12898 dealing with environmental justice. The House had a similar provision in section 432 of the House bill. The Senate provision that is included in the conference agreement includes a reference to the date of the Executive Order and to the Federal Register notice in which it was published.

Section 203 includes the text of House section 433 prohibiting the use of funds to finalize, issue, implement, or enforce the existing EPA wastewater blending policy.

Section 204 includes the text of Senate section 436 prohibiting the use of funds in contravention of 15 U.S.C. 2682(c)(3), dealing with lead-based paint, or to delay implementation of that provision of law.

Section 205 includes language, as proposed by the Senate under Administrative Provisions for the EPA, prohibiting the use of funds to publish proposed or final regulations relating to certain small engines required by section 428(b) of division G of Public Law 108–199 until the Administrator has completed and published a technical study of safety issues, including the risk of fire and burn to consumers.

TITLE III—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

The conference agreement provides $283,094,000 for forest and rangeland research instead of $285,000,000 as proposed by the House and $280,892,000 as proposed by the Senate. The forest inventory and analysis program is provided $60,267,000 instead of $62,100,000 recommended by the House and $58,434,000 recommended by the Senate; this is an increase of $4,341,000 above the fiscal year 2005 level. The managers agree to the following changes to recommendations that were proposed by the House:

Project or activity	Conference recommendation: Change from House	Conference recommendation: Project total
Fixed costs	−3,000,000	$3,177,000
Forest inventory and analysis	−1,833,000	60,267,000
Advanced wood structure research	0	1,500,000
Adelgid research NE station	0	1,600,000
Emerald ash borer research in Ohio	0	400,000
Southern pine beetle initiative	0	2,400,000
Coweeta, flood and landslide research	0	200,000
Coweeta, technology transfer, NC	−150,000	296,000
Bent Creek, technology transfer, NC	150,000	150,000
Joe Skeen Inst. Montana St. Univ.	350,000	350,000
Center for bottomlands hardwoods, MS	500,000	500,000
Forest Products Laboratory salvage lumber, WI	700,000	700,000
NE States research cooperative	350,000	2,322,000
Hydrology studies at Starkville, MS	500,000	500,000
Baltimore urban watershed, MD	100,000	197,000
Flood modeling, Fernow Expt. Forest, WV	227,000	227,000
NE Station land use decision models	200,000	200,000

The managers also agree to the following:

1. The funding provided for advanced wood structure research should be used for merit-based work by the Forest Products Laboratory and cooperators, including members of the advanced housing research consortium. This replaces recommendations made by both the House and the Senate.

2. The managers do not support the proposal to close the research work unit in Morgantown, WV and direct the Service to maintain funding near the fiscal year 2005 level for work unit RWU NE–4751.

3. The managers direct the Forest Service to continue working with the USDA Cooperative State Research, Education, and Extension Service to administer the program with the Joe Skeen Institute for Rangeland Restoration at Montana State University.

4. The Forest Service should ensure that all research facility managers understand how to comply fully with Congressional allocations in a timely manner.

5. The managers support efforts by the Forest Products Laboratory in Madison, Wisconsin, to prioritize its wood products research programs and urge the Forest Service to work with industry partners and research users to develop a comprehensive, agency-wide wood products research plan to guide future investment at the Laboratory.

STATE AND PRIVATE FORESTRY

The conference agreement provides $283,577,000 for State and private forestry instead of $254,875,000 as proposed by the House and $254,615,000 as proposed by the Senate. Funding levels for this appropriation should follow the House recommendations unless otherwise instructed herein.

Forest Health Management.—The conference agreement provides $54,236,000 for Federal lands forest health management instead of $55,000,000 as proposed by the House and $50,023,000 as proposed by the Senate. The conference agreement includes $47,629,000 for cooperative lands forest health management instead of $48,000,000 as proposed by the House and $22,608,000 as proposed by the Senate. The change from the House recommendation is the addition of $300,000 for the Vermont forest monitoring cooperative as proposed by the Senate, and a general reduction of $671,000.

Cooperative Fire Assistance.—The conference agreement includes $33,422,000 for State fire assistance instead of $35,422,000 as proposed by the House and $26,500,000 as proposed by the Senate. This allocation includes $2,500,000 as proposed by the House for urgent work near the San Bernardino National Forest, and a general program decrease of $2,000,000 below the House level.

The conference agreement includes $6,000,000 for volunteer fire assistance as proposed by both the House and the Senate. The conference agreement also includes additional funds for State fire and volunteer fire assistance as part of the national fire plan funding within the wildland fire management account.

Forest Stewardship.—The conference agreement includes $34,699,000 for forest stewardship instead of $37,399,000 as proposed by the House and $32,320,000 as proposed by the Senate. Changes from the House recommendations include a general decrease of $2,500,000 and a decrease of $200,000 for land use decision models. Funding for this last project is included within the research account.

Forest Legacy Program.—The conference agreement includes $57,380,000 for the forest legacy program instead of $25,000,000 as proposed by the House and $62,632,000 as proposed by the Senate. These funds are derived from the Land and Water Conservation Fund. The conference agreement includes the following distribution of funds for the forest legacy program:

State and Project	*Conference*
HI Wao Kele o Puna	$3,400,000
TN Walls of Jericho	1,900,000
MA Quabbin Corridor Connection	2,500,000
ME Katahdin Ironworks	4,500,000
WA Cedar Green Forest	2,000,000
PA History of Forestry	2,300,000
WA Carbon River Forest	1,630,000
CA Baxter Ranch	1,000,000
MT North Swan River Valley	2,800,000
DE Green Horizons	2,000,000
ME Machias River Project Phase II	1,500,000
CT Skiff Mountain	1,200,000
CA Six Rivers to the Sea Phase II	1,000,000
GA Altamaha River Corridor	2,000,000
NY Adirondack Working Forest Easement	1,000,000
UT Cedar Project #3	1,500,000
WV Potomac River Hills	1,300,000
VT Green Mountain Wildlife Corridor	700,000
NJ Sparta Mountain South	1,800,000
MT Nevada Creek-Blackfoot Phase II	1,400,000
ID Singleton Kilgore	650,000
MI Kamehameha School Land Conservation Easement	2,000,000
IN Land Bridge	550,000
KY Knobs State Forest and Wildlife Management Area	1,750,000
USVI Annaly Bay/Hermitage Valley	500,000
WI Wolf River	1,000,000
CO Banded Peaks Ranch Phase II	1,500,000
ID St. Joe Basin/Mica Creek	1,500,000
UT Range Creek/Rainbow Glass Ranch	750,000
NH Rossview	2,000,000
AK Agulowak River	600,000
NM Horse Springs	1,250,000
MN Brainerd Lakes Forest Legacy	800,000
VA New River Corridor	230,000
RI Bugnet Tract	600,000
MD Broad Creek	1,000,000
PR The Gutierrez Project	150,000
IA Monona	320,000
NH Willard Pond	550,000
GA Paulding County	250,000
Use of prior year funds	−3,000,000
Forest Legacy Program Administration, Acquisition Management, and Assessment of Need Planning	5,000,000
Total, Forest Legacy	57,380,000

The conference agreement retains bill language proposed by the House requiring notification of the Committees on Appropriations when the Forest Service makes funds available for specific forest legacy projects.

Urban and Community Forestry.—The conference agreement includes $28,875,000 for the urban and community forestry program instead of $28,175,000 as proposed by the House and $28,675,000 as proposed by the Senate. Changes from the House recommendation for this activity include Senate proposals of $350,000 for the Chicago, IL greenstreets program, $350,000 for the Milwaukee, WI tree planting program, a $150,000 for the urban watershed forestry research and demonstration cooperative in Baltimore, MD, and an $150,000 general program decrease.

Economic Action Programs.—The conference agreement includes $9,679,000 for the economic action programs instead of $7,979,000 as proposed by the House and $14,200,000 as proposed by the Senate. The conference agreement includes the funding recommended by the House, with the following changes: $1,500,000 for fuels in schools program in Montana; $500,000 for the Hinkle Creek watershed study in Oregon; $300,000 for the University of Idaho, Mica Creek study; $350,000 for the northern forests partnership program as recommended by the Senate; $500,000 for the Purdue University hardwood scanning center, IN; $400,000 for the wood enterprise agent in Montana; $500,000 for the private landowner database in Washington; $750,000 for the Hubbard Brook Foundation, NH; $400,000 for the Ketchikan, AK, wood technology center; $1,000,000 for Madison County, NC, forest recreation center; and $500,000 for the Folkmoot USA in Haywood County, NC for programs and outreach highlighting Appalachian forest folk crafts. The conference agreement includes bill language concerning direct payments for Madison County, NC and Folkmoot USA, NC. Funding for biomass utilization grants are not included under this activity; instead, the conference agreement follows the Senate recommendation to fund that activity within the wildland fire management appropriation.

Forest Resource Information and Analysis.—The conference agreement includes $4,657,000

for forest resource information and analysis as proposed by the Senate instead of $5,000,000 as proposed by the House.

International Program.—The conference agreement includes $7,000,000 for the International program as proposed by the Senate instead of $6,900,000 proposed by the House.

NATIONAL FOREST SYSTEM

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement provides $1,424,348,000 for the national forest system instead of $1,417,920,000 as proposed by the House and $1,377,656,000 as proposed by the Senate.

Funds should be distributed as follows:

Land management planning	$59,057,000
Inventory and monitoring	170,179,000
Recreation, heritage & wilderness	265,200,000
Wildlife & fish habitat management	134,850,000
Grazing management	49,000,000
Forest products	284,297,000
Vegetation & watershed management	184,050,000
Minerals and geology management	85,865,000
Landownership management	93,000,000
Law enforcement operations	89,200,000
Vales Calderas National Preserve, NM	5,150,000
Centennial of Service challenge	4,500,000
Total	1,424,348,000

The following discussion describes funding changes from the House passed bill.

Land Management Planning.—The conference agreement provides funding as recommended by the House; funds are not provided for environmental training as recommended by the Senate.

Inventory and Monitoring.—The agreement includes the House recommendation, plus Senate recommendations of $1,000,000 for the Stennis Space Center, MS, and $170,000 for the Fernow experimental forest hydrology study, WV.

Recreation, Heritage, and Wilderness Management.—The conference agreement provides funding as recommended by the House.

Wildlife and Fish Habitat Management.—The conference agreement provides funding as recommended by the House plus an increase above the House level of $50,000 for the Batten Kill river project, VT, bringing the total for this project to $250,000. In addition, the managers direct the Forest Service to support the grizzly bear study in the Flathead NF and surrounding area with $125,000 out of base funds to be used for tracking collars.

Grazing Management.—The conference agreement provides funding as recommended by the House. The managers replace the Senate recommendations concerning grazing management to encourage the Forest Service and the BLM to modify stocking levels in a manner consistent with the local range conditions, considering that there have been improvements in moisture conditions in some western States. The Service and the BLM should use credible range condition monitoring data from professional range conservationists employed by State or county governments or universities.

Forest Products.—The conference agreement provides funding as recommended by the House with the addition of $1,000,000 above the House level for the Tongass NF, AK. The managers agree to the Senate proposed earmark in bill language of $5,000,000 for Tongass national forest timber sales preparation.

The managers replace the Senate recommendations concerning performance management systems with instructions included under the administrative provisions heading to clarify that the performance management system needs to include all Forest Service officials and programs.

The managers modify the Senate recommendations concerning a stewardship contract in New Mexico. The Service is expected to develop and begin implementing by June 1, 2006, one or more large stewardship contracts that are at least 10,000 acres, to be on the Lincoln NF, NM. The Service should work with the Mescalero Apache Tribe and the New Mexico State Forester to assure the stewardship contract is drafted so that lands on the Lincoln NF are treated, and the Service should work with this tribe to assist them at developing a stewardship proposal.

Vegetation and Watershed Management.—The conference agreement provides funding as recommended by the House with the addition of $350,000 above the House level for the leafy spurge eradication program in North Dakota.

Minerals and Geology Management.—The conference agreement provides funding as recommended by the House.

Landownership Management.—The conference agreement provides funding as recommended by the House.

Law Enforcement operations.—The conference agreement decreases the House recommendation for the Daniel Boone NF anti-drug effort by $100,000, leaving a total of $900,000. Similar work on the Mark Twain NF is reduced by $200,000, leaving a total of $500,000. In addition, $500,000 is provided for the Spring Mountains NRA, NV emergency warning system, and there is a general program decrease of $2,000,000 below the House recommendation. The managers note that the Administrative provisions include bill language recommended by the House and the Senate concerning the transfer of funds for various overhead charges affecting the law enforcement operations activity.

Valles Caldera National Preserve.—The managers have put all funding for the Valles Caldera National Preserve, NM, in the national forest system account to facilitate management of this activity; this includes the $3,650,000 the Senate recommended in this account plus an additional $1,500,000 the Senate recommended in the capital improvement and maintenance account.

Other.—The conference agreement provides that the Land Between the Lakes NRA, TN and KY, should be funded from various accounts at least at the budget request level of $8,400,000. The general reduction to the national forest system account passed on the House floor is not included.

WILDLAND FIRE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

The conference agreement provides $1,779,395,000 for wildland fire management instead of $1,790,506,000 as proposed by the House and $1,745,531,000 as proposed by the Senate.

Wildfire Preparedness.—The agreement includes $676,014,000 for preparedness as proposed by the Senate instead of $691,014,000 as proposed by the House. The managers reiterate the direction contained in the House and Senate reports regarding the need to maintain the level of fire readiness established in fiscal year 2005.

Wildfire Suppression Operations.—The conference agreement includes $700,492,000 for suppression operations as proposed by both the House and the Senate. The managers have provided the full amount of the ten year average cost of wildfire suppression increased for inflation, an increase of $51,633,000 above the fiscal year 2005 funding level.

The managers have modified bill language recommended by the House concerning assessing the suppression activity for indirect costs in a manner the same as all other Forest Service accounts and programs. The managers direct that all programs be treated similarly so they can contribute their fair share to the costs of administering and running the Service. The managers do not agree with the House recommendation concerning the second bullet in the budget appendix.

The conference agreement does not include bill language recommended by the Senate dealing with the transfer of unobligated balances to the national forest system account. The managers agree with the House recommendation that the Forest Service should not automatically allocate 50% of the wildland fire suppression funds to all the regions at the beginning of the year, and there should not be a transfer of any unobligated suppression funds for non-suppression activities. If the Service has a low-cost wildfire season, the unobligated funds should be carried over to pay for future seasons when it is likely that catastrophic wildfires will occur again.

The managers encourage the Forest Service to establish a suitable memorial for the two brave firefighters who lost their lives July 22, 2003, at the Cramer fire near Salmon, ID.

The managers direct the Forest Service to make available for public review the results of any feasibility study conducted for the purpose of determining whether to acquire specific models of aircraft for use as air tankers.

Other Wildfire Operations.—The conference agreement includes $402,889,000 for other fire operation activities instead of $399,000,000 as proposed by the House and $369,025,000 as proposed by the Senate. The allocation of this funding is as follows:

Program	*Amount*
Hazardous fuels	$286,000,000
Rehabilitation & restoration	6,281,000
Research & development	23,219,000
Joint fire science	8,000,000
Forest health management-Federal	15,000,000
Forest health management-cooperative	10,000,000
State and community fire assistance	46,500,000
Volunteer fire assistance	7,889,000
Total other wildfire operations	402,889,000

Hazardous fuels.—The conference agreement includes $286,000,000 for hazardous fuels treatments as proposed by the House, an increase of $23,461,000 over the fiscal year 2005 level. This allocation includes the House proposed $5,000,000 for the San Bernardino NF, CA, and the Senate proposed $1,500,000 for the Santa Fe watershed, NM, and $5,000,000 as proposed by the Senate for biomass utilization grants. The House had recommended the biomass grants funding within the State and private forestry account.

The conference agreement includes the Senate recommended bill language concerning the use of $5,000,000 for the Community Forest Restoration Act and allowing a transfer for the biomass grants.

The managers direct the Secretary of Agriculture to report to the House and Senate Committees on Appropriations, the House Agriculture and Resources Committees, and the Senate Energy and Natural Resources Committee on the percentage of fuels reduction or restoration contracts that provide small diameter material to micro businesses, large commercial sawmills, or biomass facilities.

Rehabilitation.—The conference agreement includes $6,281,000 for rehabilitation and restoration activities. The managers direct that

$2,000,000 be made available to the native plant materials program to be used in conjunction with the similar effort at the Department of the Interior under the joint guidance of the interagency plant conservation alliance.

Fire plan research and development.—The conference agreement includes $23,219,000 for research and development activities. Changes from the House proposal include an increase of $1,150,000 for the University of Montana landscape fire analysis center and $350,000 for the University of Idaho FRAMES project.

Federal and cooperative forest health management.—The conference agreement includes $15,000,000 for Federal forest health activities and $10,000,000 for cooperative forest health activities as proposed by the House.

State fire and volunteer fire assistance.—The agreement includes $46,500,000 for State and community fire assistance. Changes from the House recommendation include increases of $2,100,000 for the Alaska Kenai Peninsula Borough, $1,200,000 to the Municipality of Anchorage, $800,000 for Fairbanks North Star borough, AK, $1,100,000 for the Matanuska-Susitna Borough, AK, and $300,000 for the Alaska, Cook Inlet tribal council. Senate instructions on distribution of these funds should be followed by the Service.

The managers direct the Forest Service, working with the State foresters, to review the current State fire assistance allocation methodology for the funding provided under the wildland fire management appropriation and recommend appropriate changes. The State fire assistance under this heading should not be considered the same as the traditional funding in the State and private forestry account. Funding under this heading is intended to support the national fire plan. The managers encourage the Service and the States to focus this funding to those States and activities that the National fire plan suggests are most critically needed to reduce the danger of catastrophic wildfires, rewarding those States with demonstrated performance and cost share. Community wildfire protection planning and cooperative hazardous fuels reduction activities should be highlighted. The Forest Service shall prepare a report to the House and Senate Committees on Appropriations before implementing any new allocation methodology.

The volunteer fire assistance allocation is $7,889,000 as proposed by the Senate.

CAPITAL IMPROVEMENT AND MAINTENANCE

The conference agreement provides $441,178,000 for capital improvement and maintenance instead of $468,260,000 as proposed by the House and $409,751,000 as proposed by the Senate. This is a reduction of $73,523,000 below the fiscal year 2005 nonemergency funding level. The conference agreement provides for the following distribution of funds:

Activity/Project	*Amount*
Facilities:	
Maintenance	$51,522,000
Capital Improvement	56,194,000
Congressional Priorities:	
San Bernardino NF, CA	2,000,000
Redwood Science Lab seismic retrofit, CA	2,000,000
Meeks Bay campground, CA	778,000
Turtle Rock fire station relocation, CA	1,200,000
Cheoah ranger station, NC	900,000
Region 6 facility disposal, OR & WA	1,000,000
Allegheny NF recreation and admin sites, PA	2,600,000
Cherokee NF recreation and admin sites, TN	2,500,000
Forest Products Laboratory modernization, WI	2,000,000
Medicine Bow-Routt storage consolidation, WY & CO	1,035,000
Monongahela NF facilities, WV	950,000
Smith County lake, MS	1,000,000
Homochitto National Forest, Okhissa Lake Project, MS	1,000,000
Subtotal Facilities	126,679,000
Roads:	
Maintenance	148,066,000
Capital Improvement	68,133,000
Congressional Priorities:	
Monongahela NF road improvements, WV	2,300,000
Tongass NF, AK	4,000,000
Jarbidge Canyon road, NV	3,000,000
Subtotal Roads	225,499,000
Trails:	
Maintenance	42,000,000
Capital Improvement	30,500,000
Congressional Priorities:	
FL National scenic trail	500,000
Continental Divide Trail	1,000,000
Pacific Crest trail improvements, CA OR WA	1,000,000
Rio Sabana trail, PR	250,000
Midewin National Tallgrass Prairie, IL	750,000
Subtotal Trails	76,000,000
Infrastructure Improvement:	
Fish Passage Barriers, national program	2,000,000
Deferred Maintenance	11,000,000
Subtotal Infrastructure Improvement	13,000,000
Total, Capital Improvement and Maintenance	441,178,000

The managers agree with the overall program direction for this account provided by both the House and the Senate except funding levels and project descriptions are indicated in the table above. The conference agreement includes the bill language recommended by the Senate concerning the Jarbidge Canyon road which provides authority to transfer some funds to the Department of the Interior for certain portions of this project.

The managers are aware of the importance of modernizing the Forest Products Laboratory. As noted previously, the managers urge the Forest Service to develop an integrated wood products research plan that will guide capital investments. The managers believe that the Forest Service should also conduct a strategic review of facilities needs before modernization efforts begin. Therefore, the managers do not agree with the Senate proposal to fund the construction of a durability test facility at this time. Instead, the managers agree to the House proposal to provide $2,000,000 for the modernization effort at the Laboratory, pending completion of the recommended integrated, national planning effort for wood products research. Once this plan is completed, the managers will give full consideration to supporting the Laboratory's multi-year modernization effort.

The funds provided for the Allegheny NF include $1,000,000 for the Kiasutha campground, $500,000 for Kinzua Wolf Run Marina, $1,000,000 for the Bradford administrative site, and $100,000 for forest-wide signage improvements. The Cherokee NF funding is for the Ocoee Whitewater Center interpretive and facility upgrades, Nolichucky work center property acquisition, the Cherokee hot shot complex, and the Cleveland office relocation project.

The managers have provided $1,000,000 for environmental studies for a recreational lake in Smith County, Mississippi. The managers note, however, that a feasibility study of this project is currently underway in cooperation with the Forest Service and Mississippi State University. The managers note that conclusion of the ongoing studies regarding issues such as mineral rights and the need for condemnation of these rights is necessary to determine the feasibility of this project. If the study concludes that this project is not feasible, the managers expect that the funds provided for environmental studies will be reprogrammed for other high priority construction needs in Mississippi.

LAND ACQUISITION

The conference agreement provides $42,500,000 for land acquisition instead of $15,000,000 as proposed by the House and $44,925,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Area (State)	*Amount*
Arkansas Forests, multiple NFs (AR)	$1,000,000
Blackfoot River Community Project (Blackfoot Challenge), Helena & Lolo NFs: (MT)	6,000,000
Bonneville Shoreline Trail, multiple NFs (UT)	1,500,000
Columbia River Gorge NSA, multiple NFs (OR/WA)	1,500,000
Daniel Boone NF (KY)	750,000
Delta NF (MS)	1,500,000
Goose Creek-Smith River, Six Rivers NF (CA)	1,000,000
Greater Yellowstone Area, multiple NFs (MT/ID)	1,000,000
Green Mountain NF (VT)	500,000
High Elk Corridor, White River NF (CO)	500,000
High Uintas, Wasatch-Cache NF (UT)	700,000
Hoosier Unique Areas, Hoosier NF (IN)	250,000
I–90 Corridor, Mt. Baker-Snoqualmie NF (WA)	975,000
Illinois Disappearing Habitat, Shawnee NF (IL)	250,000
Lady C Ranch, Black Hills NF (SD)	750,000
Middle Yuba-Barker Pass, Tahoe NF (CA)	500,000
Minnesota Wilderness, Chippewa/Superior NF (MN)	125,000
Pacific Crest Trail, multiple NFs (CA/OR/WA)	500,000
Selway Valley Preserve, Beaverhead/Deerlodge NF (MT)	1,000,000
Spring Hill, Helena NF (MT)	600,000
Swan Valley, Flathead NF (MT)	3,000,000
Thunder Mountain, Payette NF (ID)	1,000,000
Wayne NF (OH)	600,000
Wisconsin Wild Waterways, Chequamegon-Nicolet NF (WI)	3,000,000
Subtotal	28,500,000

Area (State)	*Amount*
Acquisition Management ..	12,500,000
Cash Equalization	500,000
Critical Inholdings/Wilderness Protection	1,000,000
Total	42,500,000

Bill Language.—The conference agreement retains language proposed by the Senate withdrawing from mineral entry or appropriation certain mining claims on the Payette National Forest.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

The conference agreement provides $1,069,000 for the acquisition of lands for national forests special acts as recommended by both the House and the Senate.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

The conference agreement provides an indefinite appropriation estimated to be $234,000 for the acquisition of lands to complete land exchanges as proposed by both the House and the Senate.

RANGE BETTERMENT FUND

The conference agreement provides an indefinite appropriation estimated to be $2,963,000 for the range betterment fund as proposed by both the House and the Senate.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

The conference agreement provides $64,000 for gifts, donations and bequests for forest and rangeland research as proposed by both the House and the Senate.

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES

The conference agreement provides $5,067,000 for management of national forest system lands for subsistence uses in Alaska as proposed by the Senate instead of $5,467,000 as proposed by the House.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

The managers agree to the following changes to the House recommendations:

1. The Senate language is included which does not prohibit transfers for reimbursable agreements for the USDA National Information Technology center.

2. The Senate bill language allowing up to $2,500,000 for the Youth Conservation Corps projects is included.

3. The conference agreement allows up to $300,000 to be used by the National Forest Foundation for administrative expenses. The managers expect the Foundation to raise funds so this allocation can be reduced in the future.

4. The Senate language is included allowing certain authorized payments to the counties within the Columbia River Gorge National Scenic Area, WA & OR.

5. The Senate language is included allowing the Forest Service to reimburse the USDA Office of the General Counsel for certain travel expenses.

6. The Senate language is included which transfers certain land on Kodiak Island, AK, from the Forest Service to the U.S. Fish and Wildlife Service.

7. The conference agreement includes bill language not included by either the House or the Senate which allows the Forest Service to assess available funds to support the agency's needs for facilities maintenance for administrative and other buildings, but not recreation facilities.This replaces the Senate proposal within Title V which recommended establishing a working capital fund for all agency structures. The new provision allows the Forest Service to transfer up to $35,000,000 from various agency accounts, based on a fair measure of facilities maintenance needs. The managers expect that initially, the Forest Service will use the square feet of building space and the various programs use of this space as the index to establish the transfer levels. The Forest Service should devise a performance based system and need-based system to determine how to allocate assessed funds to the field. Before executing these transfers, the Forest Service shall report to the House and Senate Committees on Appropriations on the details of the proposed transfers and the methodology being used for both the assessment, and the field allocation. In addition, the Forest Service shall, as part of the normal budget justification, report on the anticipated transfers required in future fiscal years, and report on the previous year's transfers and proposed accomplishments. There should also be a display which indicates, by national forest, research station and area, the funding being allocated for facilities maintenance. The budget justification displays shall indicate, for every budget line item, the funding amount being assessed for facilities maintenance. This information should be readily visible along with each program description. The tables should also summarize the budget line item contribution to the other assessments.

8. This discussion replaces recommendations by both the House and the Senate concerning performance measures. The managers remain concerned about forest outputs and whether on-the-ground accomplishments remain a high priority for the Forest Service. The managers expect the Forest Service to maintain a performance management system that includes performance standards for line officers aggregated up to the Forest level so that forest-wide management goals can be measured against actual accomplishments for each forest. The performance standards should include clear annual measures for programs which are consistent with the output levels specified in the annual budget justification. The Forest Service needs to implement a system of internal data controls and data transparency consistent with the recommendations by the USDA–OIG March, 2005 audit. The Chief should hold agency line officers accountable for reporting accurate performance data in fiscal year 2006. The Forest Service should establish an independent review process to review the reported data. The Forest Service is directed to provide a report to the House and Senate Committees on Appropriations and the relevant House and Senate authorizing committees on this performance management system within 90 days of enactment. This report shall also be made available to the public following submission of the report to the committees noted above.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

The conference agreement provides $2,732,298,000 for Indian health services as proposed by the House instead of $2,732,323,000 as proposed by the Senate.

Bill Language.—The conference agreement modifies language included in both the House and the Senate bills concerning the Individuals with Disabilities Education Act. The two versions contained minor technical differences. The conference agreement includes language included in the Senate bill concerning the distribution of Alaska alcohol wellness funds.

The managers are aware of Indian health care needs in the state of Nevada and expect the Service to continue to meet with the 22 tribes in Nevada, as well as the Intertribal Council of Nevada and the Intertribal Health Board of Nevada, to discuss ways to improve the delivery and quality of their health services. The managers expect the Service to report to the House and Senate Committees on Appropriations by December 31, 2005 with recommendations on how to improve secondary and tertiary care in Nevada, including facility needs and the contract health services program that can be accomplished within current budgetary levels.

INDIAN HEALTH FACILITIES

The conference agreement provides $358,485,000 for Indian health facilities instead of $370,774,000 as proposed by the House and $335,643,000 as proposed by the Senate.

The managers agree to the following distribution of funds:

Project	*Amount*
Barrow Hospital, AK	$8,000,000
Fort Belknap, MT staff quarters	3,326,000
Kayenta, AZ health center	3,878,000
Mobile dental units	2,000,000
Phoenix Indian Medical Center, AZ	8,000,000
San Carlos, AZ Health Center	6,139,000
Small ambulatory facilities	7,000,000
Subtotal	38,343,000
Other:	
Maintenance and improvement	52,404,000
Sanitation facilities	93,519,000
Facilities and environmental health support	152,959,000
Equipment	21,260,000
Total	358,485,000

Bill Language.—The conference agreement includes language proposed by the Senate authorizing the construction of a replacement health facility in Nome, Alaska, on land owned by the Norton Sound Health Corporation. The House had no similar provision.

The managers consider the health facilities construction program to be a critical component in the provision of better health care to Native Americans and, therefore, expect that future budget submissions by the Service will include a much more aggressive schedule to fund these projects.

NATIONAL INSTITUTES OF HEALTH

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The conference agreement provides $80,289,000 for the national institute of environmental health sciences as proposed by both the House and the Senate.

AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY

TOXIC SUBSTANCES AND ENVIRONMENTAL PUBLIC HEALTH

The conference agreement provides $76,024,000 for toxic substances and environmental public health as proposed by both the House and the Senate.

The managers encourage the ATSDR to continue to support the minority health professions community under its cooperative agreement activities in fiscal year 2006.

OTHER RELATED AGENCIES

Executive Office of the President

COUNCIL ON ENVIRONMENTAL QUALITY AND OFFICE OF ENVIRONMENTAL QUALITY

The conference agreement provides $2,717,000 for the council on environmental quality and office of environmental quality as proposed by both the House and the Senate.

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

SALARIES AND EXPENSES

The conference agreement provides $9,200,000 for salaries and expenses of the

chemical safety and hazard investigation board as proposed by both the House and the Senate.

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

The conference agreement provides $8,601,000 for salaries and expenses of the Office of Navajo and Hopi Indian Relocation as proposed by both the House and the Senate.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

The conference agreement provides $6,300,000 for payment to the institute as proposed by both the House and the Senate.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

The conference agreement provides $524,281,000 for salaries and expenses of the Smithsonian Institution instead of $524,381,000 as proposed by the House and $524,135,000 as proposed by the Senate. A reduction of $100,000 from the House level has been taken from the Tropical Research Institute's study of microorganisms in tropical soils. Other changes from the House proposal for activities within this account include an increase of $500,000 to restore base funding for key outreach programs such as the travel exhibition service, fellowships and affiliations, an additional $500,000 to meet the budget request of $1,000,000 for an institution-wide collections care and preservation initiative, and a reduction of $1,000,000 from facilities maintenance to fund that activity at the amount requested in the budget.

FACILITIES CAPITAL

The conference agreement provides $100,000,000 for the facilities capital account as proposed by the Senate instead of $90,900,000 as proposed by the House. Within this amount, $9,100,000 is provided for the Asia II Trail exhibit at the National Zoological Park as proposed by the House. While supportive of this project, the managers are concerned by the high initial cost estimates and encourage the Smithsonian to look at how the exhibit might be reduced in scope or in some way phased to achieve savings. The managers also understand that an aggressive fundraising effort will be required by the Smithsonian to secure private financing, without which this project cannot be successfully completed. The conference agreement also includes an additional $9,100,000 for the POD 5 museum support center storage facility as recommended by the Senate.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

The conference agreement continues administrative provisions included in the House bill that place restrictions on the use of funds for the following: (1) unapproved changes to science programs; (2) the design of new or expanded facilities; (3) Holt House; and (4) the purchase of buildings. The House provision regarding reprogramming authority is included with a modification that deletes the requirement for written approval from the House and Senate Committees on Appropriations.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

The conference agreement provides $96,600,000 for salaries and expenses of the National Gallery of Art as proposed by the Senate instead of $97,100,000 as proposed by the House.

The managers note that language is included in Title IV—General Provisions raising the indemnity limit for art exhibitions as proposed by the Senate. The managers expect that future requests to alter the indemnity ceilings will be approved through the Office of Management and Budget and either included in the budget justification or, preferably, submitted as an official legislative proposal to, and acted upon by, the appropriate legislative committees of jurisdiction.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

The conference agreement provides $16,200,000 for repair, restoration and renovation of buildings as proposed by the House instead of $15,000,000 as proposed by the Senate.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

The conference agreement provides $17,800,000 for operations and maintenance of the Kennedy Center as proposed by both the House and Senate.

CONSTRUCTION

The conference agreement provides $13,000,000 for construction instead of $10,000,000 as proposed by the House and $15,200,000 as proposed by the Senate.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

The conference agreement provides $9,201,000 for salaries and expenses of the Woodrow Wilson International Center for Scholars as proposed by the Senate instead of $9,085,000 proposed by the House.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

The conference agreement provides $126,264,000 for grants and administration of the National Endowment for the Arts as proposed by the Senate instead of $131,264,000 as proposed by the House.

The managers expect that the increase above the enacted level will be used to expand the American Masterpieces program by $2,000,000 and partially restore the Administration's proposed reduction to the Challenge America program by $3,000,000.

Bill Language.—The conference agreement retains bill language proposed by the Senate providing that funds appropriated for the National Endowment for the Arts be expended in accordance with sections 309 and 311 of Public Law 108–108. The House bill addressed this issue in the general provisions section.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

The conference agreement provides $127,605,000 for grants and administration of the National Endowment of the Humanities as proposed by both the House and the Senate.

MATCHING GRANTS

The conference agreement provides $15,449,000 for matching grants as proposed by both the House and the Senate.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

The conference agreement provides $1,893,000 for salaries and expenses of the Commission of Fine Arts as proposed by the House and the Senate.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

The conference agreement provides $7,250,000 for National Capital Arts and Cultural Affairs instead of $7,000,000 as proposed by the House and $7,492,000 as proposed by the Senate.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

The conference agreement provides $4,860,000 for salaries and expenses of the Advisory Council on Historic Preservation as proposed by the House instead of $4,943,000 as proposed by the Senate.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $8,244,000 for salaries and expenses of the National Capital Planning Commission as proposed by the Senate instead of $8,177,000 as proposed by the House.

The managers do not object to the Commission's participation in the GIS mapping initiative to the extent it can be supported within base funding. The increase above the enacted level is provided to meet fixed cost adjustments such as pay and utilities.

UNITED STATES HOLOCAUST MEMORIAL MUSEUM

HOLOCAUST MEMORIAL MUSEUM

The conference agreement provides $42,780,000 for the Holocaust Memorial Museum instead of $41,880,000 proposed by the House and $43,233,000 proposed by the Senate.

PRESIDIO TRUST

PRESIDIO TRUST FUND

The conference agreement provides $20,000,000 for the Presidio Trust Fund as proposed by the House instead of $19,722,000 as proposed by the Senate.

WHITE HOUSE COMMISSION ON THE NATIONAL MOMENT OF REMEMBRANCE

SALARIES AND EXPENSES

The conference agreement provides $250,000 for salaries and expenses of the White House Commission on the National Moment of Remembrance as proposed by the House and the Senate.

TITLE IV—GENERAL PROVISIONS

Sec. 401. The conference agreement retains the House recommendation; there was a minor technical difference between the House and Senate versions.

Sec. 402. The conference agreement retains the Senate recommendation; the Senate version included a reference to the U.S. code not included by the House.

Sec. 403 and Sec. 404 were identical in both the House and Senate bills.

Sec. 405. The conference agreement retains the Senate recommended language that was in Senate section 405 rather than similar language the House had included in section 423. Related language dealing with assessments, which was in House section 405, is not included in the conference agreement.

Sec. 406. The conference agreement retains the Senate recommended language that was in Senate section 406 rather than similar language the House had included in section 419.

Sec. 407. The conference agreement retains the Senate recommended language dealing with giant sequoia trees rather than similar language the House had included in section 406.

Sec. 408. The House and Senate bills had identical language dealing with patents for mining, although the House had included it as section 407.

Sec. 409. The conference agreement retains the House recommended language dealing with contract support costs for the Bureau of Indian Affairs and the Indian Health Service that was in House section 408. The Senate had no similar provision.

Sec. 410. The conference agreement retains the Senate recommended language permitting the collection and use of private funds by the National Endowment for the Arts and the National Endowment for the Humanities that was in Senate section 409 rather than similar language the House had included in section 410. The conference agreement now makes this authority permanent rather than one-year as recommended by the House.

Sec. 411. The House and Senate bills had identical language dealing with the Forest and Rangeland Renewable Resources Planning Act; it was in House section 412 and in Senate section 410.

Sec. 412. The conference agreement retains the Senate recommended language amending the Knutson-Vandenberg reforestation act, which was in Senate section 411. The House had no similar provision.

Sec. 413. The House and Senate bills had identical language dealing with Forest Service roads and trails; it was in House section 413 and in Senate section 410.

Sec. 414. The House and Senate bills had identical language dealing with telephone answering machines; it was in House section 414 and in Senate section 413.

Sec. 415. The House and Senate bills had identical language dealing with Forest Service land management planning.

Sec. 416. The conference agreement retains the Senate recommended language addressing timber sales involving Alaska western redcedar, which was in Senate section 414. The House had no similar provision.

Sec. 417. The House and Senate bills had identical language dealing with mineral leasing within national monuments; it was in section 416 of each bill.

Sec. 418. The House and Senate bills had identical language continuing a provision providing the Secretary of the Interior and the Secretary of Agriculture the authority to enter into reciprocal agreements with foreign nations concerning the personal liability of firefighters. It was in House section 418 and in Senate section 417.

Sec. 419. The conference agreement retains the Senate recommended language, which was in Senate section 418, allowing the Eagle Butte Service Unit of the Indian Health Service to utilize health care funding in a more efficient manner. The House had no similar provision.

Sec. 420. The conference agreement retains the Senate recommended language, which was in Senate section 419, allowing the Secretary of Agriculture and the Secretary of the Interior to consider local contractors when awarding contracts for certain activities on public lands. The House had a similar provision in section 420 of the House bill.

Sec. 421. The House and Senate bills had identical language continuing a provision that limits the use of funds for filing declarations of takings or condemnations. This provision does not apply to the Everglades National Park Protection and Environmental Act. It was in House section 421 and in Senate section 420.

Sec. 422. The conference agreement retains the Senate recommended language, which was in Senate section 421, limiting competitive sourcing studies by the Secretary of the Interior and the Forest Service. The House had a similar provision in section 422 of the House bill. The conference agreement now allows the Secretary of the Interior up to $3,450,000 and the Forest Service up to $3,000,000 for this work. In addition, the Secretary of Agriculture should consider the impact on wildland fire management activities when conducting competitive sourcing studies.

Sec. 423. The House and Senate bills had identical language prohibiting the transfer of funds for SAFECOM and Disaster Management projects; it was in section 424 of the House bill and section 422 of the Senate bill.

Sec. 424. The House and Senate bills had identical language requiring that contact centers associated with the national recreation reservation service be located within the United States; it was in section 425 of the House bill and section 423 of the Senate bill.

Sec. 425. The conference agreement modifies similar language extending a pilot program to enhance Forest Service administration of rights-of-way recommended by both the House and the Senate. It was in section 426 of the House bill and section 424 of the Senate bill. The language now is effective for one year.

Sec. 426. The conference agreement retains the Senate recommended language, which was in Senate section 425, extending the Forest Service's ability to enter into certain cooperative agreements with third parties that are of mutually significant benefit. The House had no similar provision.

Sec. 427. The conference agreement retains the Senate recommended language, which was in Senate section 426, amending the Arts and Artifacts Indemnity Act to raise the Federal indemnity ceilings on individual exhibitions from $600,000,000 to $1,200,000,000, and in the aggregate from $8,000,000,000 to $10,000,000,000. The House had no similar provision.

Sec. 428. The conference agreement modifies the House recommended language, which was in House section 427, extending the authority for the Service First program of the Department of the Interior and the Forest Service. The Senate had no similar provision. The authority now extends through fiscal year 2008 and also clarifies that the National Park Service and the Fish and Wildlife Service may participate, as well as the Bureau of Land Management and the Forest Service.

Sec. 429. The conference agreement retains the House recommended language concerning a land exchange in San Bernardino, CA, which was in House section 428. The Senate had no similar provision.

Sec. 430. The conference agreement retains the House recommended language continuing a previous provision concerning Finger Lakes National Forest, NY, oil and gas leasing, which was in House section 430. The Senate had no similar provision.

Sec. 431. The conference agreement modifies the Senate recommended provision, which was in Senate section 427, authorizing the Eastern Nevada Landscape Coalition to enter into agreements with the Departments of the Interior and Agriculture. The language now is effective for one year. The House had no similar provision.

Sec. 432. The conference agreement retains, with minor technical modifications, the Senate recommended language, which was in Senate section 426, amending the Valles Caldera Preservation Act. This provision requires the Secretary of Agriculture to develop a fire management plan and enter into a cooperative fire management agreement for the Valles Caldera National Preserve. The Forest Service shall also provide wildfire pre-suppression and non-emergency rehabilitation and restoration services for the Trust, which manages the Preserve, on a reimbursable basis. The House had no similar provision.

Sec. 433. The conference agreement retains the Senate recommended language, which was in Senate section 429, prohibiting the use of funds to demolish certain structures on the Zephyr Shoals property, Lake Tahoe, NV. The House had no similar provision.

Sec. 434. The conference agreement modifies the Senate recommended language, which was in Senate section 432, extending the Forest Service authority to conduct certain work on non-Forest Service land. The authority now extends for five years. The House had no similar provision.

Sec. 435. The conference agreement retains the Senate recommended language, which was in Senate section 433, setting certain conditions for the grant of a zoning variance for the property at 51 Louisiana Ave., NW, Washington D.C. The House had no similar provision.

Sec. 436. The conference agreement includes a new provision authorizing the acquisition of lands for the Chequamegon-Nicolet National Forest, WI, and directing the Secretary to maintain existing management practices on those lands.

Sec. 437. The conference agreement includes a new provision for a $5,000,000 grant to Kendall County, Illinois.

Sec. 438. Modifies section 344 of the Department of the Interior and Related Agencies Appropriations Act, 2005 regarding the lands to be acquired for the Kenai Fjords interagency visitor center and the use of funds not required for land acquisition.

Sec. 439. The conference agreement includes an across the board rescission of 0.476 percent. This reduction should be applied to each program, project, and activity, except for Miscellaneous Payments to Indians, which has a different application of the rescission as specified in the statutory language.

The conference agreement does not include a provision in section 405 of the House bill providing for restrictions on departmental assessments unless approved by the Committees on Appropriations.

The conference agreement does not include a provision in section 409 of the House bill specifying reforms and limitations dealing with the National Endowment for the Arts.

The conference agreement does not include a provision in section 411 of the House bill providing direction to the National Endowment for the Arts on funding distribution.

The conference agreement does not include a provision in section 417 of the House bill extending the Forest Service Conveyance Pilot Program.

The conference agreement does not include a provision in section 429 of the House bill requiring a report of the expenditure of funds pursuant to the Southern Nevada Public Lands Management Act.

The conference agreement does not include a provision in section 431 of the House bill prohibiting the Fish and Wildlife Service to use land acquisition funds for the purchase of water rights in the Klamath Basin, CA.

The conference agreement does not include a provision in section 435 of the House bill limiting the number of federal employees that can be sent to international conferences.

The conference agreement does not include a provision in section 437 of the House bill prohibiting the use of funds for the sale or slaughter of wild free roaming horses and burros.

The managers have not included language proposed by the Senate in section 434 dealing with the Biscuit fire recovery but the managers would like to have a report from the Forest Service on this issue. Accordingly, by March 1, 2006 the Forest Service should submit a report to the House and Senate Committees on Appropriations (and make this report publicly available on the agency website) which discusses the following issues concerning the Biscuit fire in southern Oregon:

1. The change in reforestation capabilities and costs between the date of the containment of the Biscuit Fire and the completion of the Biscuit Fire Recovery Project, as detailed in the Record of Decision.

2. The commercial value lost, as well as recovered, of fire-killed timber within the Biscuit Fire area.

3. All actions included in the Record of Decision for the Biscuit Fire Recovery Project, but forgone because of delay or funding shortfall.

4. The Forest Service original estimate of the acres that should be reforested and the cost in dollars and per acre, including planting stock and overhead and a summary of the original schedule to do the work.

5. A summary of the initial Forest Service plan to salvage timber; including a discussion of the acres which would have been harvested and the estimated volume and value of that salvage, as well as the cost to the Federal government to develop and administer the sale and the anticipated cost to the purchasers.

6. A similar summary for the final Forest Service salvage plan.

7. A presentation and list of all of the timber sales offered and planned, including the volume, and appraised value. The presentation should indicate sales offered but not sold, and sales not yet underway. It should also separate out sales by land management regime.

The conference agreement does not include a provision in section 437 of the Senate bill expressing the sense of the Senate with regard to the national debt and funding for the global war on terror.

TITLE V—FOREST SERVICE FACILITY REALIGNMENT AND ENHANCEMENT ACT

The conference report modifies legislation recommended by the Senate in Title V. This provision allows the Forest Service to dispose of administrative facilities that are no longer needed and use all of the revenue to reduce the administrative-site deferred maintenance backlog. This improves the Service's ability to realign facilities to meet the needs of the workforce and the Nation. The legislation authorizes the Secretary of Agriculture to sell, lease, exchange or combine a sale and exchange of certain administrative sites the Secretary determines are no longer needed for National Forest System purposes. The legislation incorporates new authorities for streamlining regulations to facilitate the timely disposal of administrative sites and to improve the marketability of the sites. All receipts derived from the conveyance of administrative sites and facilities shall be deposited in the Sisk Act fund and remain available to the Secretary until expended, without further appropriations. These funds will be used for the administrative costs incurred in conveying sites; the acquisition of land for administrative sites; and for the decommissioning, construction, maintenance, rehabilitation, and improvement of administrative sites.

The managers make the following recommendations:

1. The Service is allowed to dispose of up to 10 isolated, undeveloped sites per year which were acquired or used for administrative purposes, with certain limitations.

2. Certain lands are explicitly excluded, including any land within the national wilderness system, in the wild and scenic river system, lands specifically designated for natural area or recreation purposes, or in a national monument. In addition, it is the intent of the managers that the exclusions apply to undeveloped lands on historic trails and sites, national preserves, national recreation areas, national scenic areas, national conservation areas, national botanical areas, national forest primitive areas, research natural areas, national game refuges and wildlife preserve areas, and officially designated special interest areas.

3. The managers direct that the service should not dispose of lands needed for natural resource management, or lands which are important to provide public access to other lands or waters, such as recreational river corridors or sites with special recreational values.

4. The managers intend that disposal of lands will not create new non-Federal inholdings within larger areas of contiguous Federal or other publicly owned lands available for recreational activities.

5. The provision requires the Service to include detailed displays in the annual budget justification of the anticipated program under this authority and provide other details so the Congress and the public can evaluate the program and its impact. The Service should notify the Congress if changes to this plan are later necessary. The managers are concerned that future appropriation decisions concerning facility construction, reconstruction and maintenance being made will be fully informed by knowledge of the anticipated revenues derived from this new authority. The managers also understand that the revenue stream will be temporary, and that all areas of the Nation do not have a similar amount of excess facilities nor ability to generate revenue.

6. The authorities provided by this Title expire on September 30, 2008. However, the managers will closely monitor the implementation of this provision. The managers encourage the Congress to extend the authority if steady progress is demonstrated. As with the pilot conveyance authority, the Service is more likely to successfully plan and implement project planning if there continues to be no less than two or three years remaining on the authority.

7. The conference agreement repeals the previous pilot conveyance authority, which was established in the Department of the Interior and Related Agencies Appropriations Act, 2002. The repeal is effective as of September 30, 2006, and any project initiated under the pilot authority may be completed under that authority.

8. The agreement continues the Senate-recommended language concerning lead-based and asbestos abatement, but limits the exclusion only to laws affecting these matters.

9. The agreement clarifies that the Forest Service should follow the National Environmental Policy Act (NEPA) with the exception that the Service must analyze only the most reasonably foreseeable use of the site, and determine whether or not to reserve any right, title or interest in the sites. The managers expect that, consistent with the NEPA, the Service will evaluate the alternative of not disposing of the sites.

10. The agreement requires that the Forest Service consult with local governmental officials of the community in which the administrative site is located and provide public notice of the proposed conveyance.

11. The conference agreement does not include the Senate proposal concerning the working capital fund. However, the conference agreement includes, within the Administrative provisions section of the Forest Service, bill language which allows the Forest Service to assess all funds available to the agency to support maintenance of facilities other than recreation facilities. The managers expect that this assessment approach will provide field managers an incentive to carefully evaluate their space needs and help reduce the total amount of building space maintained. This should save money and reduce the tremendous backlog in deferred maintenance that has accumulated within the Forest Service.

TITLE VI—VETERANS HEALTH CARE

Sec. 601. Appropriated $1,500,000,000 to the Department of Veterans Affairs for Medical services for fiscal year 2005. The conferees agree that the amount provided will be available until September 30, 2006. The conferees note that the fiscal year 2006 budget amendment submitted to the Congress on July 14, 2005 included additional fiscal year 2005 requirements for Medical Services. The conferees agree, that prior to completion of the fiscal year 2006 appropriations Act for the Department of Veterans Affairs, the House and Senate subcommittees of jurisdiction will continue to evaluate and adjust the funding level required for fiscal year 2006 based upon most current information available.

DEPARTMENT OF INTERIOR, ENVIRONMENT, AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
TITLE I - DEPARTMENT OF THE INTERIOR				
BUREAU OF LAND MANAGEMENT				
Management of Lands and Resources				
Land Resources				
Soil, water and air management	34,738	33,343	34,343	-395
Range management	69,183	69,212	70,912	+1,729
Forestry management	8,895	10,559	10,559	+1,664
Riparian management	21,228	21,704	22,454	+1,226
Cultural resources management	14,925	15,240	15,240	+315
Wild horse and burro management	39,045	36,905	36,905	-2,140
Subtotal, Land Resources	188,014	186,963	190,413	+2,399
Wildlife and Fisheries				
Wildlife management	25,063	28,587	28,587	+3,524
Fisheries management	11,884	12,497	12,497	+613
Subtotal, Wildlife and Fisheries	36,947	41,084	41,084	+4,137
Threatened and endangered species	21,144	21,572	21,572	+428
Recreation Management				
Wilderness management	16,431	16,806	16,806	+375
Recreation resources management	44,158	47,798	49,298	+5,140
Subtotal, Recreation Management	60,589	64,604	66,104	+5,515
Energy and Minerals				
Oil and gas	87,360	87,291	90,291	+2,931
Coal management	9,311	9,296	9,296	-15
Other mineral resources	9,960	10,185	10,185	+225
Subtotal, Energy and Minerals	106,631	106,772	109,772	+3,141
Alaska minerals	3,944	2,297	2,297	-1,647
Realty and Ownership Management				
Alaska conveyance	41,975	33,599	40,599	-1,376
Cadastral survey	15,590	13,866	16,026	+436
Land and realty management	35,059	33,681	33,681	-1,378
Subtotal, Realty and Ownership Management	92,624	81,146	90,306	-2,318
Resource Protection and Maintenance				
Resource management planning	48,863	49,516	50,266	+1,403
Resource protection and law enforcement	16,788	17,974	19,224	+2,436
Hazardous materials management	15,850	16,126	16,126	+276
Subtotal, Resource Protection and Maintenance	81,501	83,616	85,616	+4,115
Transportation and Facilities Maintenance				
Operations	6,057	6,271	6,271	+214
Annual maintenance	30,564	31,293	32,043	+1,479
Deferred maintenance	41,192	38,727	39,477	-1,715
Subtotal, Transportation/Facilities Maintenance	77,813	76,291	77,791	-22
Land and resources information systems	18,062	18,217	18,217	+155
Mining Law Administration				
Administration	32,696	32,696	32,696	---
Offsetting fees	-32,696	-32,696	-32,696	---
Subtotal, Mining Law Administration	---	---	---	---
Workforce and Organizational Support				
Information systems operations	19,651	21,455	21,455	+1,804
Administrative support	50,164	51,437	51,437	+1,273
Bureauwide fixed costs	72,346	74,727	74,727	+2,381
Subtotal, Workforce and Organizational Support	142,161	147,619	147,619	+5,458

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Challenge cost share	7,396	13,996	10,000	+2,604
Cooperative Conservation Initiative	---	6,000	---	---
Subtotal, Challenge Cost Share	---	---	---	---
Total, Management of Lands and Resources	836,826	850,177	860,791	+23,965
Wildland Fire Management				
Preparedness	258,939	272,852	272,852	+13,913
Fire facilities	---	7,849	---	---
Joint fire science	---	6,000	---	---
Subtotal, Preparedness	258,939	286,701	272,852	+13,913
Fire suppression operations	218,445	234,167	234,167	+15,722
Additional appropriations, Title IV	98,611	---	---	-98,611
Subtotal, Fire suppression operations	317,056	234,167	234,167	-82,889
Other operations				
Hazardous fuels reduction	201,409	211,220	211,220	+9,811
Burned area rehabilitation	23,939	24,476	24,476	+537
State and local fire assistance	9,861	---	10,000	+139
Fire facilities	12,202	---	7,849	-4,353
Joint fire science	7,889	---	6,000	-1,889
Subtotal, Other operations	255,300	235,696	259,545	+4,245
Total, Wildland Fire Management	831,295	756,564	766,564	-64,731
Central Hazardous Materials Fund				
Bureau of Land Management	9,855	---	---	-9,855
Rescission of balances	-13,500	---	---	+13,500
Construction				
Construction	11,340	6,476	11,926	+586
Land Acquisition				
Land Acquisition				
Acquisitions	6,755	9,533	5,450	-1,305
Emergencies and hardships	1,479	1,500	1,000	-479
Acquisition management	2,958	2,317	2,300	-658
Total, Land Acquisition	11,192	13,350	8,750	-2,442
Oregon and California Grant Lands				
Western Oregon resources management	88,775	96,692	96,692	+7,917
Western Oregon information and resource data systems	2,151	2,173	2,173	+22
Western Oregon transportation & facilities maintenance	10,619	10,903	10,903	+284
Western Oregon construction and acquisition	291	302	302	+11
Jobs in the woods	5,661	---	---	-5,661
Total, Oregon and California Grant Lands	107,497	110,070	110,070	+2,573
Range Improvements				
Improvements to public lands	7,873	7,873	7,873	---
Farm Tenant Act lands	1,527	1,527	1,527	---
Administrative expenses	600	600	600	---
Total, Range Improvements	10,000	10,000	10,000	---
Service Charges, Deposits, and Forfeitures				
Rights-of-way processing	8,025	11,910	11,910	+3,885
Energy and minerals cost recovery	1,840	10,840	10,840	+9,000
Adopt-a-horse program	1,225	1,225	1,225	---
Repair of damaged lands	5,000	5,000	5,000	---
Cost recoverable realty cases	515	515	515	---
Timber purchaser expenses	50	50	50	---

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Commercial film and photography fees	200	200	200	---
Copy fees	3,200	3,200	3,200	---
Subtotal (gross)	20,055	32,940	32,940	+12,885
Offsetting fees	-20,055	-32,940	-32,940	-12,885
Total, Service Charges, Deposits & Forfeitures	---	---	---	---
Miscellaneous Trust Funds				
Current appropriations	12,405	12,405	12,405	---
TOTAL, BUREAU OF LAND MANAGEMENT	1,816,910	1,759,042	1,780,506	-36,404
UNITED STATES FISH AND WILDLIFE SERVICE				
Resource Management				
Ecological Services				
Endangered species				
Candidate conservation	9,255	8,252	8,852	-403
Listing	15,960	18,130	18,130	+2,170
Consultation	48,129	49,484	49,484	+1,355
Recovery	69,870	64,243	75,159	+5,289
Subtotal, Endangered species	143,214	140,109	151,625	+8,411
Habitat conservation	94,457	101,978	100,713	+6,256
Environmental contaminants	10,901	8,486	11,186	+285
Subtotal, Ecological Services	248,572	250,573	263,524	+14,952
Refuges and Wildlife				
Refuge operations and maintenance	381,019	393,894	393,394	+12,375
Migratory bird management	35,451	41,635	39,227	+3,776
Law enforcement operations	55,615	57,612	57,712	+2,097
Subtotal, Refuges and Wildlife	472,085	493,141	490,333	+18,248
Fisheries				
Hatchery operations and maintenance	56,755	57,971	57,971	+1,216
Fish and wildlife management	58,418	49,685	60,787	+2,369
Subtotal, Fisheries	115,173	107,656	118,758	+3,585
General Administration				
Science excellence	---	2,000	500	+500
Central office administration	27,120	27,827	27,827	+707
Regional office administration	39,992	40,807	40,807	+815
Administrative efficiencies	---	-2,025	---	---
Servicewide administrative support	25,625	30,736	30,736	+5,111
National Fish and Wildlife Foundation	7,761	7,470	7,770	+9
National Conservation Training Center	17,058	17,829	18,476	+1,418
International affairs	9,160	9,549	10,149	+989
Caddo Lake Ramsar Center	394	---	---	-394
Subtotal, General Administration	127,110	134,193	136,265	+9,155
Total, Resource Management	962,940	985,563	1,008,880	+45,940
Construction				
Construction and rehabilitation				
Line item construction	41,793	10,060	36,275	-5,518
Nationwide engineering services	10,865	9,616	9,616	-1,249
Emergency appropriations (P.L. 108-324)	40,552	---	---	-40,552
Total, Construction	93,210	19,676	45,891	-47,319

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Land Acquisition				
Fish and Wildlife Service				
Acquisitions - Federal refuge lands	22,593	26,029	13,695	-8,898
Inholdings	1,479	1,750	1,500	+21
Emergencies and hardships	986	1,750	1,500	+514
Exchanges	1,726	1,750	1,500	-226
Acquisition management	8,249	7,893	8,393	+144
Cost allocation methodology	1,972	1,820	1,820	-152
Total, Land Acquisition	37,005	40,992	28,408	-8,597
Landowner Incentive Program				
Grants to States	21,694	40,000	24,000	+2,306
Private Stewardship Grants Program				
Stewardship grants	6,903	10,000	7,386	+483
Cooperative Endangered Species Conservation Fund				
Grants to States	15,846	17,643	17,643	+1,797
Species recovery land acquisition	13,400	14,186	14,186	+786
HCP land acquisition	48,698	45,653	47,853	-845
Administration	2,518	2,518	2,518	---
Total, Cooperative Endangered Species Fund	80,462	80,000	82,200	+1,738
National Wildlife Refuge Fund				
Payments in lieu of taxes	14,214	14,414	14,414	+200
North American Wetlands Conservation Fund				
Wetlands conservation	35,973	47,949	38,400	+2,427
Administration	1,499	2,000	1,600	+101
Total, North American Wetlands Conservation Fund	37,472	49,949	40,000	+2,528
Neotropical Migratory Bird Conservation Fund				
Migratory bird grants	3,944	---	4,000	+56
Multinational Species Conservation Fund				
African elephant conservation	1,381	1,000	1,400	+19
Rhinoceros and tiger conservation	1,477	1,100	1,600	+123
Asian elephant conservation	1,381	1,000	1,400	+19
Great ape conservation	1,381	900	1,400	+19
Marine turtles	99	300	700	+601
Neotropical Bird Conservation	---	4,000	---	---
Total, Multinational Species Conservation Fund	5,719	8,300	6,500	+781
State and Tribal Wildlife Grants				
State and tribal wildlife grants	69,028	74,000	68,500	-528
TOTAL, U.S. FISH AND WILDLIFE SERVICE	1,332,591	1,322,894	1,330,179	-2,412
NATIONAL PARK SERVICE				
Operation of the National Park System				
Park Management				
Resource stewardship	348,036	354,116	354,141	+6,105
Visitor services	338,454	346,181	346,181	+7,727
Maintenance	582,739	595,586	594,686	+11,947
Park support	290,400	307,613	298,509	+8,109
Park base increase	---	---	20,000	+20,000
Subtotal, Park Management	1,559,629	1,603,496	1,613,517	+53,888
External administrative costs	123,935	130,557	130,557	+6,622
Total, Operation of the National Park System	1 683 564	1,734,053	1,744,074	+60,510

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
United States Park Police				
Park Police	80,076	80,411	81,411	+1,335
National Recreation and Preservation				
Recreation programs	543	554	554	+11
Natural programs	10,865	9,545	9,845	-1,020
Cultural programs	19,933	17,722	20,028	+95
International park affairs	1,593	1,618	1,618	+25
Environmental and compliance review	391	399	399	+8
Grant administration	1,866	1,913	1,913	+47
Heritage Partnership Programs				
Commissions and grants	13,966	4,904	13,400	-566
Newly authorized areas	493	---	---	-493
Administrative support	120	122	100	-20
Subtotal, Heritage Partnership Programs	14,579	5,026	13,500	-1,079
Statutory or Contractual Aid	11,203	---	7,108	-4,095
Total, National Recreation and Preservation	60,973	36,777	54,965	-6,008
Historic Preservation Fund				
State historic preservation offices	35,500	35,500	36,250	+750
Tribal grants	3,205	3,205	4,000	+795
Save America's Treasures	29,583	15,000	30,000	+417
Preserve America	---	12,500	---	---
HBCUs	3,451	---	3,000	-451
Total, Historic Preservation Fund	71,739	66,205	73,250	+1,511
Construction				
Emergency and unscheduled	3,944	3,944	3,000	-944
Housing	7,889	7,889	7,000	-889
Equipment replacement	36,900	26,900	26,000	-10,900
Planning, construction	20,925	19,925	19,925	-1,000
General management plans	13,128	13,254	13,754	+626
Line item construction and maintenance	189,748	221,183	217,845	+28,097
Construction program management	26,984	28,605	28,105	+1,121
Dam safety	2,662	2,662	2,662	---
Emergency appropriations (P.L. 108-324)	50,802	---	---	-50,802
Subtotal, Construction	352,982	324,362	318,291	-34,691
Use of prior year balances	---	-17,000	-17,000	-17,000
Total, Construction	352,982	307,362	301,291	-51,691
Land and Water Conservation Fund				
(Rescission of contract authority)	-30,000	-30,000	-30,000	---
Land Acquisition and State Assistance				
Assistance to States				
State conservation grants	89,736	---	28,413	-61,323
Administrative expenses	1,479	1,587	1,587	+108
Total, Assistance to States	91,215	1,587	30,000	-61,215
National Park Service				
Acquisitions	39,839	35,131	30,075	-9,764
Emergencies and hardships	2,465	4,000	2,500	+35
Acquisition management	10,365	9,749	9,749	-616
Inholdings	2,465	4,000	2,500	+35
Use of prior year balances	---	---	-9,915	-9,915
Total, National Park Service	55,134	52,880	34,909	-20,225
Total, Land Acquisition and State Assistance	146,349	54,467	64,909	-81,440
TOTAL, NATIONAL PARK SERVICE	2,365,683	2,249,275	2,289,900	-75,783

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
UNITED STATES GEOLOGICAL SURVEY				
Surveys, Investigations, and Research				
Mapping, Remote Sensing, and Geographic Investigations				
Cooperative topographic mapping	71,393	71,882	71,882	+489
Land remote sensing	32,730	46,396	44,396	+11,666
Geographic analysis and monitoring	14,628	15,175	14,925	+297
Subtotal, National Mapping Program	118,751	133,453	131,203	+12,452
Geologic Hazards, Resource and Processes				
Geologic hazards assessments	75,979	82,209	82,209	+6,230
Geologic landscape and coastal assessments	76,253	77,228	78,914	+2,661
Geologic resource assessments	77,014	48,699	77,677	+663
Subtotal, Geologic Hazards, Resource & Processes	229,246	208,136	238,800	+9,554
Water Resources Investigations				
Hydrologic monitoring, assessments and research				
Ground water resources program	6,998	7,417	8,147	+1,149
National water quality assessment	61,645	63,132	63,132	+1,487
Toxic substances hydrology	14,476	13,120	14,600	+124
Hydrologic research and development	15,997	14,428	14,828	-1,169
National streamflow information program	13,814	14,152	14,152	+338
Hydrologic networks and analysis	29,524	28,152	29,797	+273
Subtotal, Hydrologic monitoring, assessments and research	142,454	140,401	144,656	+2,202
Federal-State program	62,337	63,770	63,770	+1,433
Water resources research institutes	6,409	---	6,500	+91
Subtotal, Water Resources Investigations	211,200	204,171	214,926	+3,726
Biological Research				
Biological research and monitoring	133,130	134,348	138,453	+5,323
Biological information management and delivery	23,999	24,149	24,149	+150
Cooperative research units	14,570	14,428	14,883	+313
Subtotal, Biological Research	171,699	172,925	177,485	+5,786
Enterprise Information				
Enterprise information security and technology	22,714	25,237	25,237	+2,523
Enterprise information resources	16,989	17,153	17,153	+164
Federal geographic data coordination	4,670	5,377	4,697	+27
Subtotal, Enterprise Information	44,373	47,767	47,087	+2,714
Science support	65,584	72,337	70,337	+4,753
Facilities	94,611	94,726	96,197	+1,586
Emergency appropriations (P.L. 108-324)	1,000	---	---	-1,000
Emergency appropriations (P.L. 109-13)	8,100	---	---	-8,100
TOTAL, UNITED STATES GEOLOGICAL SURVEY	944,564	933,515	976,035	+31,471
MINERALS MANAGEMENT SERVICE				
Royalty and Offshore Minerals Management				
OCS Lands				
Leasing and environmental program	37,224	37,768	37,943	+719
Resource evaluation	29,566	28,682	29,682	+116
Regulatory program	51,516	51,766	51,966	+450
Information management program	29,972	30,125	30,325	+353
Subtotal, OCS Lands	148,278	148,341	149,916	+1,638
Royalty Management				
Compliance and asset management	41,550	51,903	43,103	+1,553
Revenue and operations	33,867	35,426	35,426	+1,559
Subtotal, Royalty Management	75,417	87,329	78,529	+3,112

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
General Administration				
Executive direction	2,057	2,086	2,116	+59
Policy and management improvement	4,132	4,216	4,246	+114
Administrative operations	16,964	17,025	17,275	+311
General support services	23,702	24,149	24,299	+597
Subtotal, General Administration	46,855	47,476	47,936	+1,081
Subtotal (gross)	270,550	283,146	276,381	+5,831
Use of receipts	-103,730	-122,730	-122,730	-19,000
Total, Royalty and Offshore Minerals Management	166,820	160,416	153,651	-13,169
Oil Spill Research				
Oil spill research	7,006	7,006	7,006	---
TOTAL, MINERALS MANAGEMENT SERVICE	173,826	167,422	160,657	-13,169
OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT				
Regulation and Technology				
Environmental restoration	158	159	159	+1
Environmental protection	79,821	79,566	79,566	-255
Technology development and transfer	13,300	15,126	15,126	+1,826
Financial management	485	488	488	+3
Executive direction	14,505	15,096	15,096	+591
Subtotal, Regulation and Technology	108,269	110,435	110,435	+2,166
Civil penalties	99	100	100	+1
Total, Regulation and Technology	108,368	110,535	110,535	+2,167
Abandoned Mine Reclamation Fund				
Environmental restoration	167,861	170,112	170,112	+2,251
Legislative proposal	---	58,000	---	---
Technology development and transfer	4,479	3,922	3,922	-557
Financial management	8,444	6,234	6,234	-2,210
Executive direction	7,421	7,746	7,746	+325
Total, Abandoned Mine Reclamation Fund	188,205	246,014	188,014	-191
TOTAL, OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT	296,573	356,549	298,549	+1,976
BUREAU OF INDIAN AFFAIRS				
Operation of Indian Programs				
Tribal Budget System				
Tribal Priority Allocations				
Tribal government	389,183	394,558	394,558	+5,375
Human services	147,387	141,561	148,731	+1,344
Education	48,300	39,466	48,304	+4
Public safety and justice	1,222	---	1,162	-60
Community development	40,412	40,789	40,789	+377
Resources management	61,999	63,149	63,149	+1,150
Trust services	56,115	56,038	56,038	-77
General administration	24,925	24,588	24,588	-337
Subtotal, Tribal Priority Allocations	769,543	760,149	777,319	+7,776

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Other Recurring Programs				
Education				
School operations				
Forward-funded	449,721	454,725	464,585	+14,864
Other school operations	67,926	66,908	66,908	-1,018
Subtotal, School operations	517,647	521,633	531,493	+13,846
Continuing education	53,141	43,375	56,375	+3,234
Subtotal, Education	570,788	565,008	587,868	+17,080
Resources management	42,131	37,293	46,927	+4,796
Subtotal, Other Recurring Programs	612,919	602,301	634,795	+21,876
Non-Recurring Programs				
Community development	3,452	---	2,750	-702
Resources management	36,225	32,348	35,244	-981
Trust services	36,308	32,977	33,377	-2,931
Subtotal, Non-Recurring Programs	75,985	65,325	71,371	-4,614
Total, Tribal Budget System	1,458,447	1,427,775	1,483,485	+25,038
BIA Operations				
Central Office Operations				
Tribal government	2,248	2,288	2,288	+40
Human services	887	912	912	+25
Community development	---	500	500	+500
Resources management	3,416	3,044	3,044	-372
Trust services	19,071	27,169	27,169	+8,098
General administration				
Education program management	2,348	2,411	2,411	+63
Personnel services	5,863	8,378	8,378	+2,515
Other general administration	106,188	106,832	106,832	+644
Subtotal, General administration	114,399	117,621	117,621	+3,222
Subtotal, Central Office Operations	140,021	151,534	151,534	+11,513
Regional Office Operations				
Tribal government	1,095	1,323	1,323	+228
Human services	3,038	3,019	3,019	-19
Community development	778	966	966	+188
Resources management	5,319	5,403	5,403	+84
Trust services	24,049	27,376	27,376	+3,327
General administration	7,083	3,503	3,503	-3,580
Subtotal, Regional Office Operations	41,362	41,590	41,590	+228

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Special Programs and Pooled Overhead				
Education	16,336	17,499	17,499	+1,163
Public safety and justice	180,063	192,265	196,265	+16,202
Community development	8,102	---	7,550	-552
Resources management	1,269	1,269	1,269	---
General administration	80,491	92,298	92,298	+11,807
Subtotal, Special Programs and Pooled Overhead	286,261	303,331	314,881	+28,620
Total, BIA Operations	467,644	496,455	508,005	+40,361
Total, Operation of Indian Programs	1,926,091	1,924,230	1,991,490	+65,399
BIA SPLITS				
Natural resources	(150,359)	(142,506)	(155,036)	(+4,677)
Forward-funding	(449,721)	(454,725)	(464,585)	(+14,864)
Education	(188,051)	(169,659)	(191,497)	(+3,446)
Community development	(1,137,960)	(1,157,340)	(1,180,372)	(+42,412)
Total, BIA splits	(1,926,091)	(1,924,230)	(1,991,490)	(+65,399)
Construction				
Education	263,372	173,875	209,875	-53,497
Public safety and justice	7,381	11,777	11,777	+4,396
Resources management	40,289	38,272	45,772	+5,483
General administration	2,126	2,136	2,136	+10
Construction management	5,961	6,077	6,077	+116
Total, Construction	319,129	232,137	275,637	-43,492
Indian Land and Water Claim Settlements and Miscellaneous Payments to Indians				
Cherokee, Choctaw, and Chickasaw settlement	9,833	10,167	10,167	+334
Colorado Ute Settlement	7,889	8,111	8,111	+222
Cuba Lake Settlement	1,726	---	---	-1,726
Hoopa-Yurok settlement fund	247	254	254	+7
Pyramid Lake water rights settlement	140	144	144	+4
Quinault Settlement	9,893	---	10,000	+107
White Earth Land Settlement Act (Admin)	616	634	634	+18
Zuni Water Settlement	13,806	5,444	5,444	-8,362
Total, Miscellaneous Payments to Indians	44,150	24,754	34,754	-9,396
Indian Guaranteed Loan Program Account				
Indian guaranteed loan program account	6,332	6,348	6,348	+16
TOTAL, BUREAU OF INDIAN AFFAIRS	2,295,702	2,187,469	2,308,229	+12,527
DEPARTMENTAL OFFICES				
Insular Affairs				
Assistance to Territories				
Territorial Assistance				
Office of Insular Affairs	6,472	6,881	7,381	+909
Technical assistance	11,716	8,561	10,681	-1,035
Maintenance assistance fund	2,268	2,300	2,300	+32
Brown tree snake	2,663	2,700	2,700	+37
Insular management controls	1,470	1,491	1,491	+21
Coral reef initiative	493	500	500	+7
Water and wastewater projects	---	1,000	1,000	+1,000
Subtotal, Territorial Assistance	25,082	23,433	26,053	+971
American Samoa				
Operations grants	22,779	23,110	23,110	+331
Northern Marianas				
Covenant grants	27,720	27,720	27,720	---
Total, Assistance to Territories	75,581	74,263	76,883	+1,302

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Compact of Free Association				
Compact of Free Association - Federal services	2,957	2,862	2,862	-95
Mandatory payments - program grant assistance	2,000	2,000	2,000	---
Enewetak support	493	---	500	+7
Total, Compact of Free Association	5,450	4,862	5,362	-88
Total, Insular Affairs	81,031	79,125	82,245	+1,214
Departmental Management				
Departmental direction	13,358	13,591	13,591	+233
Management and coordination	28,554	30,298	29,348	+794
Hearings and appeals	7,919	8,068	8,068	+149
Central services	27,696	34,387	33,865	+6,169
Bureau of Mines workers compensation/unemployment	629	653	653	+24
Take Pride in America	490	1,000	500	+10
Financial and business management system	14,160	23,555	22,555	+8,395
Indian Arts and Crafts Board	1,042	1,162	1,162	+120
Grant to Kendall County, Illinois	4,931	---	---	-4,931
Martin Luther King, Jr. Memorial	---	---	10,000	+10,000
General reduction	-2,958	---	---	+2,958
Appraisal services	---	7,441	7,441	+7,441
Emergency appropriations (P.L. 109-13)	3,000	---	---	-3,000
Total, Departmental Management	98,821	120,155	127,183	+28,362
Payments in Lieu of Taxes				
Payments to local governments	226,805	200,000	236,000	+9,195
Central Hazardous Materials Fund				
Central hazardous materials fund	---	9,855	9,855	+9,855
Office of the Solicitor				
Legal services	40,916	42,660	42,472	+1,556
General administration	9,701	12,020	11,901	+2,200
Ethics	1,039	1,072	1,067	+28
Total, Office of the Solicitor	51,656	55,752	55,440	+3,784
Office of Inspector General				
Audit	16,270	17,744	16,974	+704
Investigations	13,529	15,241	14,341	+812
Administrative services and information management	7,476	8,014	7,801	+325
Total, Office of Inspector General	37,275	40,999	39,116	+1,841
Office of Special Trustee for American Indians				
Federal Trust Programs				
Program operations, support, and improvements	191,324	267,165	189,361	-1,963
Executive direction	2,216	2,232	2,232	+16
Total, Federal Trust programs	193,540	269,397	191,593	-1,947
Indian Land Consolidation Program				
Indian land consolidation	34,514	34,514	34,514	---
Total, Office of Special Trustee for American Indians	228,054	303,911	226,107	-1,947

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Natural Resource Damage Assessment Fund				
Damage assessments	3,845	3,931	3,931	+86
Program management	1,526	1,592	1,592	+66
Restoration support	366	583	583	+217
Total, Natural Resource Damage Assessment Fund	5,737	6,106	6,106	+369
TOTAL, DEPARTMENTAL OFFICES	729,379	815,903	782,052	+52,673
TOTAL, TITLE I, DEPARTMENT OF THE INTERIOR	9,955,228	9,792,069	9,926,107	-29,121
Appropriations	(9,881,774)	(9,822,069)	(9,956,107)	(+74,333)
Emergency appropriations	(103,454)	---	---	(-103,454)
Rescission	(-30,000)	(-30,000)	(-30,000)	---
TITLE II - ENVIRONMENTAL PROTECTION AGENCY				
Science and Technology				
Air toxics and quality				
Clean air allowance trading programs (also EPM)	8,734	9,353	8,734	---
Federal support for air quality mgmt (also EPM)	10,521	10,016	10,016	-505
Federal support for air toxics program (also EPM)	2,562	2,265	2,265	-297
Federal vehicle and fuels standards/certification	57,436	66,567	59,567	+2,131
Radiation: Protection (also EPM; HSS)	3,069	2,121	2,121	-948
Radiation: Response preparedness (also EPM)	2,320	3,576	3,576	+1,256
Subtotal, Air toxics and quality	84,642	93,898	86,279	+1,637
Enforcement				
Forensics support (also HSS)	13,048	13,737	13,737	+689
Climate protection				
Climate protection program (also EPM)	19,006	17,732	19,032	+26
Homeland security				
Homeland security: Critical infrastructure protection				
Critical infrastructure protection (except water sentinel) (also EPM; HSS)	3,495	3,569	3,569	+74
Water sentinel and related training	---	44,000	9,000	+9,000
Subtotal, Homeland security: Critical infrastructure protection	3,495	47,569	12,569	+9,074
Homeland security: Preparedness, response, and recovery				
Preparedness, response, and recovery (other activities) (also HSS)	13,671	14,806	14,806	+1,135
Decontamination (also EPM; HSS)	13,609	24,710	16,710	+3,101
Laboratory preparedness & response (also EPM; HSS)	---	600	600	+600
Safe buildings	---	4,000	4,000	+4,000
(Transfer from Hazardous substance superfund)	(2,071)	(2,000)	(2,000)	(-71)
Subtotal, Homeland security: Preparedness, response, and recovery	27,280	44,116	36,116	+8,836
Homeland security; Protection of EPA personnel and infrastructure (also EPM; B&F; HSS)	2,024	2,100	2,100	+76
Subtotal, Homeland security	32,799	93,785	50,785	+17,986
IT / Data management / Security				
IT / Data management (also EPM; LUST; OSR; HSS)	4,345	4,251	4,251	-94
Indoor air				
Indoor air: Radon program (also EPM)	495	442	442	-53
Indoor air: Schools and workplace program (moved to reduce risks in FY06)	843	---	---	-843
Reduce risks from indoor air (also EPM)	---	832	832	+832
Subtotal, Indoor air	1,338	1,274	1,274	-64

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Operations and administration				
Facilities infrastructure and operations (also EPM; B&F; LUST; OSR; HSS)	8,466	8,716	8,716	+250
Pesticide licensing				
Pesticides: Registration of new pesticides (also EPM)	2,466	2,490	2,490	+24
Pesticides: Review/Reregistration of existing pesticides (also EPM)	2,478	2,506	2,506	+28
Subtotal, Pesticide licensing	4,944	4,996	4,996	+52
Research / Congressional priorities	65,665	---	33,275	-32,390
Research: Clean air				
Research: Air toxics	16,956	16,387	16,387	-569
Research: Global change	19,578	20,534	19,934	+356
Research: National ambient air quality standards (NAAQS)	---	71,451	69,451	+69,451
Research: Particulate matter (Moved to NAAQS in FY06)	60,863	---	---	-60,863
Research: Troposphere ozone	4,041	---	---	-4,041
Subtotal, Research: Clean air	101,438	108,372	105,772	+4,334
Research: Clean water				
Research: Drinking water	48,665	45,690	45,690	-2,975
Research: Water quality	44,993	55,900	51,100	+6,107
Subtotal, Research: Clean water	93,658	101,590	96,790	+3,132
Research: Human health and ecosystems				
Human health risk assessment	32,723	36,240	36,240	+3,517
(By transfer from Hazardous substance superfund)	(3,559)	(4,022)	(4,022)	(+463)
Research: Computational toxicology	11,994	13,832	12,632	+638
Research: Endocrine disruptor	10,392	8,705	10,392	---
Research: Fellowships	12,042	8,327	12,042	---
Research: Human health and ecosystems	167,356	169,632	172,256	+4,900
Subtotal, Research: Human health and ecosystems	234,507	236,736	243,562	+9,055
Research: Land protection				
Research: Land protection & restoration (also HSS)	9,065	13,696	11,396	+2,331
(By transfer from Hazardous substance superfund)	(22,994)	(23,099)	(23,099)	(+105)
(By transfer from Hazardous substance superfund)	(6,596)	(1,485)	(1,485)	(-5,111)
Subtotal, Research: Land protection	9,065	13,696	11,396	+2,331
Research: Sustainability				
Research: Economics and decision science (EDS)	---	2,645	2,645	+2,645
Research: Environmental technology verification (ETV)	3,181	3,203	3,203	+22
Research: Pollution prevention (also HSS)	37,232	---	---	-37,232
(By transfer from Hazardous substance superfund)	(588)	---	---	(-588)
Research: Sustainability (other activities)	---	23,188	23,188	+23,188
Subtotal, Research: Sustainability	40,413	29,036	29,036	-11,377
Toxic research and prevention				
Research: Pesticides and toxics	27,792	29,753	29,753	+1,961
Water: Human health protection				
Drinking water programs (also EPM)	2,935	3,068	3,068	+133
Total, Science and Technology	744,061	760,640	741,722	-2,339
(By transfer from Hazardous substance superfund)	(35,808)	(30,606)	(30,606)	(-5,202)
Environmental Programs and Management				
Air toxics and quality				
Clean air allowance trading programs (also S&T)	16,873	18,234	18,234	+1,361
Federal stationary source regulations	21,768	23,509	23,509	+1,741
Federal support for air quality management				
Federal support for air quality management (other activities) (also S&T)	88,192	95,891	90,891	+2,699
Clean diesel initiative	---	15,000	5,000	+5,000
Subtotal, Federal support for air quality management	88,192	110,891	95,891	+7,699

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Federal support for air toxics program (also S&T)	24,590	25,431	25,431	+841
Radiation: Protection (also S&T; HSS)	11,122	11,765	11,365	+243
Radiation: Response preparedness (also S&T)	2,624	2,636	2,636	+12
Stratospheric ozone: Domestic programs	5,013	3,969	5,013	---
Stratospheric ozone: Multilateral fund	9,920	13,500	8,900	-1,020
Subtotal, Air toxics and quality	180,102	209,935	190,979	+10,877
Brownfields	24,301	29,638	25,000	+699
Climate protection program				
Climate protection program (other activities) (also S&T)	43,910	41,030	41,030	-2,880
Energy star	46,700	50,500	50,500	+3,800
Methane to markets	300	4,000	2,000	+1,700
Subtotal, Climate protection	90,910	95,530	93,530	+2,620
Compliance				
Compliance assistance and centers (also LUST; OSR; HSS)	26,613	29,097	29,097	+2,484
Compliance incentives (also HSS)	8,963	9,622	9,622	+659
Compliance monitoring (also HSS) (Some of these funds were in IT/Data management in FY05)	66,328	93,412	87,328	+21,000
Subtotal, Compliance	101,904	132,131	126,047	+24,143
Enforcement				
Civil enforcement (also OSR; HSS)	112,463	117,462	115,962	+3,499
Criminal enforcement (also HSS)	39,101	37,326	38,226	-875
Enforcement training (also HSS)	3,428	2,499	2,999	-429
Environmental justice (also HSS)	5,883	3,980	5,883	---
NEPA implementation	12,039	12,440	12,440	+401
Subtotal, Enforcement	172,914	173,707	175,510	+2,596
Environmental protection / Congressional priorities	92,326	---	50,543	-41,783
Geographic programs				
Geographic program: Chesapeake Bay	22,756	20,746	22,746	-10
Geographic program: Great Lakes	21,287	21,519	21,519	+232
Geographic program: Gulf of Mexico	3,895	4,468	5,000	+1,105
Geographic program: Lake Champlain	2,480	955	1,955	-525
Geographic program: Long Island Sound	2,332	477	477	-1,855
Geographic program: Puget Sound	---	---	2,000	+2,000
Geographic program: Other				
Community action for a renewed environment (CARE)	1,984	9,000	3,000	+1,016
Other (other activities)	4,923	4,686	5,853	+930
Subtotal, Geographic program: Other	6,907	13,686	8,853	+1,946
Regional geographic initiatives	7,687	8,862	7,762	+75
Subtotal, Geographic programs	67,344	70,713	70,312	+2,968
Homeland security				
Homeland security: Communication and information (also HSS)				
Communication and information (other activities)	5,133	5,450	5,450	+317
Laboratory preparedness and response (also S&T)	---	1,230	1,230	+1,230
Subtotal, Homeland security: Communication and information	5,133	6,680	6,680	+1,547
Homeland security: Critical infrastructure protection				
Critical infrastructure protection (except decontamination) (also S&T; HSS)	6,896	6,847	6,847	-49
Decontamination (also S&T; EPM; HSS)	---	100	100	+100
Subtotal, Homeland security: critical infrastructure protection	6,896	6,947	6,947	+51

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Homeland security: Preparedness, response, and recovery (also S&T; HSS)				
Decontamination (also S&T; EPM; HSS)	1,822	3,348	3,348	+1,526
Homeland security: Protection of EPA personnel and infrastructure (also S&T; B&F; HSS)	6,294	6,403	6,403	+109
Subtotal, Homeland security	20,145	23,378	23,378	+3,233
Indoor air				
Indoor air: Asthma program	10,468	---	---	-10,468
Indoor air: Environment tobacco smoke program	2,400	---	---	-2,400
Indoor air: Radon program (also S&T)	5,142	5,918	5,518	+376
Indoor air: Schools and workplace program	9,326	---	---	-9,326
Reduce risks from indoor air (also S&T)	---	23,496	23,496	+23,496
Subtotal, Indoor air	27,336	29,414	29,014	+1,678
Information exchange / Outreach				
Children and other sensitive populations: Agency coordination	5,970	6,890	6,890	+920
Congressional, intergovernmental, external relations (also HSS)	48,624	49,753	49,753	+1,129
Environmental education	8,957	---	9,000	+43
Exchange network (also HSS)	16,361	22,739	18,739	+2,378
Small business ombudsman	3,712	3,911	3,911	+199
Small minority business assistance	2,264	2,348	2,348	+84
State and local prevention and preparedness	11,855	12,328	11,928	+73
Toxics release inventory (TRI) / Right to know	14,310	14,754	14,754	+444
Tribal - Capacity building	10,640	11,049	11,049	+409
Subtotal, Information exchange / Outreach	122,693	123,772	128,372	+5,679
International programs				
Children and other sensitive populations: Agency coordination	244	---	---	-244
Commission for environmental cooperation	3,773	4,210	4,210	+437
Environment and trade	1,500	1,787	1,787	+287
International capacity building	5,751	6,450	6,200	+449
Persistent organic pollutants (POPs) implementation	1,627	2,806	1,806	+179
U.S. / Mexico border	5,612	5,975	5,975	+363
Subtotal, International programs	18,507	21,228	19,978	+1,471
IT / Data management / Security				
Information security (also HSS)	4,131	3,888	3,888	-243
IT / Data management (also S&T; LUST; OSR; HSS) ($22.59 million moved to EPM Compliance in FY06)	106,123	105,999	95,999	-10,124
Subtotal, IT / Data management / Security	110,254	109,887	99,887	-10,367
Legal/Science/Regulatory/Economic review				
Administrative law	4,890	5,109	5,109	+219
Alternative dispute resolution (also HSS)	931	1,051	1,051	+120
Civil rights / Title VI compliance	12,119	12,530	12,530	+411
Legal advice: Environmental program (also HSS)	34,644	36,314	36,314	+1,670
Legal advice: Support program	12,555	13,088	13,088	+533
Regional science and technology	3,245	3,643	3,643	+398
Regulatory innovation	20,014	25,021	22,518	+2,504
Regulatory/Economic-management and analysis	14,821	16,713	16,713	+1,892
Science advisory board	4,361	4,881	4,881	+520
Subtotal, Legal/Science/Regulatory/Economic review	107,580	118,350	115,847	+8,267
Operations and administration				
Acquisition management (also LUST; HSS)	22,714	23,055	23,055	+341
Central planning, budgeting, and finance (also LUST; HSS)	69,387	72,790	72,790	+3,403
Facilities infrastructure and operations (also S&T; B&F; LUST; OSR; HSS)	314,614	358,046	353,046	+38,432
Financial assistance grants / Interagency agreements (IAG) management (also HSS)	20,366	19,916	19,916	-450
Human resources management (also LUST; HSS)	39,461	38,872	38,872	-589
Subtotal, Operations and administration	466,542	512,679	507,679	+41,137

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Pesticide licensing				
Pesticides: Field programs	24,362	24,683	24,683	+321
Pesticides: Registration of new pesticides (also S&T)	39,159	41,472	41,472	+2,313
Pesticides: Review/Reregistration of existing pesticides (also S&T)	51,315	57,991	57,991	+6,676
Science policy and biotechnology	1,640	1,751	1,751	+111
Subtotal, Pesticide licensing	116,476	125,897	125,897	+9,421
Resource Conservation and Recovery Act (RCRA)				
RCRA: Corrective action	39,667	42,710	42,710	+3,043
RCRA: Waste management	66,696	68,228	68,228	+1,532
RCRA: Waste minimization and recycling	11,508	14,376	14,376	+2,868
RCRA: General reduction	---	---	-5,000	-5,000
Subtotal, Resource Conservation and Recovery Act (RCRA)	117,871	125,314	120,314	+2,443
Toxics risk review and prevention				
Toxic substances: Chemical risk management	8,341	9,058	9,058	+717
Toxic substances: Chemical risk review & reduction	44,814	44,523	46,879	+2,065
Endocrine disruptors	8,540	9,097	9,097	+557
Toxic substances: Lead risk reduction program	10,970	10,549	10,549	-421
Pollution prevention program	16,408	19,990	16,408	---
Subtotal, Toxics risk review and prevention	89,073	93,217	91,991	+2,918
Underground storage tanks (LUST / UST) (also LUST)	7,125	7,719	7,719	+594
Water: Ecosystems				
Great Lakes Legacy Act	22,320	50,000	30,000	+7,680
National estuary program / Coastal waterways	25,065	19,446	24,446	-619
Wetlands	20,085	20,375	20,375	+290
Subtotal, Water: Ecosystems	67,470	89,821	74,821	+7,351
Water: Human health protection				
Beach/Fish programs	3,210	3,264	3,264	+54
Drinking water programs (also S&T)	93,258	101,090	96,590	+3,332
Subtotal, Water: Human health protection	96,468	104,354	99,854	+3,386
Water quality protection				
Marine pollution	11,358	12,279	12,279	+921
Surface water protection				
Surface water protection (other activities)	179,503	185,501	185,501	+5,998
Water quality monitoring	6,700	9,300	7,300	+600
Subtotal, Surface water protection	186,203	194,801	192,801	+6,598
Subtotal, Water quality protection	197,561	207,080	205,080	+7,519
Subtotal, Environmental Programs and Management	2,294,902	2,403,764	2,381,752	+86,850
Offsetting receipts from toxics and pesticides fees	---	-50,000	---	---
Total, Environmental Programs and Management	2,294,902	2,353,764	2,381,752	+86,850
Office of Inspector General				
Audits, evaluations, and investigations	37,696	36,955	37,455	-241
(By transfer from Hazardous substance superfund)	(12,896)	(13,536)	(13,536)	(+640)
Buildings and Facilities				
Homeland security				
Homeland security: Protection of EPA personnel and infrastructure (also S&T; EPM; HSS)	11,408	11,500	11,500	+92
Operations and administration				
Facilities infrastructure and operations (also S&T; EPM; HSS; LUST; OSR)	27,280	28,718	28,718	+1,438
Subtotal, Buildings and Facilities	38,688	40,218	40,218	+1,530

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Emergency appropriations (P.L. 108-324)	3,000	---	---	-3,000
Total, Buildings and Facilities	41,688	40,218	40,218	-1,470
Hazardous Substance Superfund				
Air toxics and quality				
Radiation: Protection (also S&T; EPM)	2,031	2,387	2,212	+181
Audits, evaluations, and investigations	12,896	13,536	13,536	+640
(Transfer to Office of Inspector General)	(-12,896)	(-13,536)	(-13,536)	(-640)
Enforcement				
Civil enforcement (also EPM; OSR)	122	883	883	+761
Criminal enforcement (also EPM)	7,895	9,504	8,704	+809
Enforcement training (also EPM)	822	614	614	-208
Environmental justice (also EPM)	938	845	845	-93
Forensics support (also S&T)	4,112	3,840	3,840	-272
Superfund: Enforcement	153,266	164,258	160,258	+6,992
Superfund: Federal facilities enforcement	10,667	10,241	10,241	-426
Subtotal, Enforcement	177,822	190,185	185,385	+7,563
Compliance				
Compliance assistance and centers (also EPM; LUST; OSR)	---	23	12	+12
Compliance incentives (also EPM)	145	168	157	+12
Compliance monitoring (also EPM)	159	1,157	957	+798
Subtotal, Compliance	304	1,348	1,126	+822
Homeland security				
Homeland security: Communication and information (also EPM)				
Laboratory preparedness and response (also S&T; EPM; HSS)	---	300	300	+300
Homeland security: Critical infrastructure protection				
Critical infrastructure protection (other activities) (also S&T; EPM)	1,923	852	852	-1,071
Decontamination (also S&T; EPM; HSS)	---	200	200	+200
Subtotal, Homeland security: Critical infrastructure protection	1,923	1,052	1,052	-871
Homeland security: Preparedness, response, and recovery				
Decontamination (also S&T; EPM; HSS)	8,283	12,550	10,550	+2,267
Laboratory preparedness and response (also S&T; EPM; HSS)	---	9,500	---	---
Preparedness, response, and recovery (other activities) (also S&T)	25,996	26,915	26,915	+919
(Transfer to Science and Technology)	(-2,071)	(-2,000)	(-2,000)	(+71)
Subtotal, Homeland security: Preparedness, response, and recovery	34,279	48,965	37,465	+3,186
Homeland security: Protection of EPA personnel and infrastructure (also S&T; EPM; B&F)	672	600	600	-72
Subtotal, Homeland security	36,874	50,917	39,417	+2,543
Information exchange / Outreach				
Congressional, intergovernmental, external relations (also EPM)	155	161	155	---
Exchange network (also EPM)	2,235	1,676	1,676	-559
Subtotal, Information exchange / Outreach	2,390	1,837	1,831	-559
IT / Data management / Security				
Information security (also EPM)	406	409	406	---
IT / Data management (also S&T; EPM; LUST; OSR)	17,945	16,113	16,113	-1,832
Subtotal, IT / Data management / Security	18,351	16,522	16,519	-1,832

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Legal/Science/Regulatory/Economic review				
Alternative dispute resolution (also EPM)	845	985	985	+140
Legal advice: Environmental program (also EPM)	816	836	836	+20
Subtotal, Legal/Science/Regulatory/Economic review	1,661	1,821	1,821	+160
Operations and administration				
Financial assistance grants / Interagency agreements (IAG) management (also EPM)	2,943	2,579	2,579	-364
Facilities infrastructure and operations (also S&T; EPM; B&F; LUST; OSR)	67,080	72,726	70,226	+3,146
Acquisition management (also EPM; LUST)	18,888	20,367	20,367	+1,479
Human resources management (also EPM; LUST)	4,376	4,790	4,790	+414
Central planning, budgeting, and finance (also EPM; LUST)	20,379	22,445	22,445	+2,066
Subtotal, Operations and administration	113,666	122,907	120,407	+6,741
Research: Human health and ecosystems				
Human health risk assessment	3,559	4,022	4,022	+463
(Transfer to Science and Technology)	(-3,559)	(-4,022)	(-4,022)	(-463)
Research: Land protection				
Research: Land protection and restoration	22,994	23,099	23,099	+105
(Transfer to Science and Technology)	(-22,994)	(-23,099)	(-23,099)	(-105)
Research: Superfund innovative technology (SITE) program	6,596	1,485	1,485	-5,111
(Transfer to Science and Technology)	(-6,596)	(-1,485)	(-1,485)	(+5,111)
Subtotal, Research: Land protection	29,590	24,584	24,584	-5,006
Research: Sustainability				
Pollution prevention (also S&T)	588	---	---	-588
(Transfer to Science and Technology)	(-588)	---	---	(+588)
Superfund cleanup				
Superfund: Emergency response and removal	198,494	198,000	198,494	---
Superfund: EPA emergency preparedness	10,009	10,507	10,507	+498
Superfund: Federal facilities	31,512	31,611	31,611	+99
Superfund: Remedial	597,139	599,395	599,395	+2,256
Superfund: Support to other Federal agencies	10,591	9,754	9,754	-837
Subtotal, Superfund cleanup	847,745	849,267	849,761	+2,016
Total, Hazardous Substance Superfund	1,247,477	1,279,333	1,260,621	+13,144
(Transfer to Office of Inspector General)	(-12,896)	(-13,536)	(-13,536)	(-640)
(Transfer to Science and Technology)	(-35,808)	(-30,606)	(-30,606)	(+5,202)
Leaking Underground Storage Tanks (LUST)				
Compliance				
Compliance assistance and centers (also EPM; OSR; HSS)	855	774	774	-81
IT / Data management / Security				
IT / Data management (also S&T; EPM; HSS; OSR)	176	178	178	+2
Operations and administration				
Acquisition management (also EPM; HSS)	341	346	346	+5
Central planning, budgeting, and finance (also EPM; HSS)	866	936	936	+70
Facilities infrastructure and operations (also S&T; EPM; B&F; HSS; OSR)	872	884	884	+12
Human resources management (also EPM; HSS)	3	3	3	---
Subtotal, Operations and administration	2,082	2,169	2,169	+87
Research: Land protection				
Research: Land protection and restoration (also S&T; HSS; OSR)	624	646	646	+22

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Underground storage tanks (LUST / UST)				
Underground storage tanks (LUST / UST) (also EPM)	9,279	10,584	10,584	+1,305
LUST Cooperative agreements	56,424	58,676	58,676	+2,252
Subtotal, Underground storage tanks (LUST / UST)	65,703	69,260	69,260	+3,557
Total, Leaking Underground Storage Tank Program	69,440	73,027	73,027	+3,587
Oil Spill Response				
Enforcement				
Civil enforcement (also EPM; HSS)	1,742	1,789	1,789	+47
Compliance				
Compliance assistance and centers (also EPM; HSS; LUST)	274	287	287	+13
IT / Data management / Security				
IT / Data management (also S&T; EPM; HSS; LUST)	33	33	33	---
Oil				
Oil spill: Prevention, preparedness and response	12,465	12,344	12,344	-121
Operations and administration				
Facilities infrastructure and operations (also S&T; EPM; B&F; HSS; LUST)	463	504	504	+41
Research: Land protection				
Research: Land protection and restoration (also S&T; HSS; LUST)	895	906	906	+11
Total, Oil Spill Response	15,872	15,863	15,863	-9
Pesticide registration fund	19,245	15,000	15,000	-4,245
Pesticide registration fees	-19,245	-15,000	-15,000	+4,245
State and Tribal Assistance Grants (STAG)				
Air toxics and quality				
Clean school bus initiative	7,440	10,000	7,000	-440
Brownfields				
Brownfields projects	89,280	120,500	90,000	+720
Infrastructure assistance				
Infrastructure assistance: Alaska Native villages	44,640	15,000	35,000	-9,640
Infrastructure assistance: Clean water state revolving fund (SRF)	1,091,200	730,000	900,000	-191,200
Infrastructure assistance: Drinking water state revolving fund (SRF)	843,200	850,000	850,000	+6,800
Infrastructure assistance: Mexico border	49,600	50,000	50,000	+400
Infrastructure assistance: Puerto Rico	3,849	4,000	---	-3,849
Subtotal, Infrastructure assistance	2,032,489	1,649,000	1,835,000	-197,489
STAG infrastructure grants / Congressional priorities	309,548	---	200,000	-109,548
Subtotal, State and Tribal Assistance Grants (excluding categorical grants)	2,438,757	1,779,500	2,132,000	-306,757
Categorical grants				
Categorical grant: Beaches protection	9,920	10,000	10,000	+80
Categorical grant: Brownfields	49,600	60,000	50,000	+400
Categorical grant: Environmental information	19,344	20,000	20,000	+656
Categorical grant: Hazardous waste financial assistance	103,466	104,400	103,466	---
Categorical grant: Homeland security	4,960	5,000	5,000	+40
Categorical grant: Lead	13,392	13,700	13,700	+308
Categorical grant: Nonpoint source (Sec. 319)	207,328	209,100	207,328	---
Categorical grant: Pesticides enforcement	19,344	18,900	18,900	-444
Categorical grant: Pesticides program implementation	12,896	13,100	13,100	+204

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Categorical grant: Pollution control (Sec. 106)				
Pollution control (Sec. 106) (other activities)	168,620	177,900	170,900	+2,280
Water quality monitoring	39,700	54,000	48,500	+8,800
Subtotal, Categorical grant: Pollution control (Sec. 106)	208,320	231,900	219,400	+11,080
Categorical grant: Pollution prevention	4,960	6,000	5,000	+40
Categorical grant: Public water system supervision (PWSS)	99,746	100,600	99,746	---
Categorical grant: Radon	6,944	8,150	7,550	+606
Categorical grant: Sector program	2,232	2,250	2,250	+18
Categorical grant: State and local air quality management	223,200	223,550	223,550	+350
Categorical grant: State and tribal performance fund	---	23,000	---	---
Categorical grant: Targeted watersheds	17,856	15,000	16,856	-1,000
Categorical grant: Toxics substances compliance	5,007	5,150	5,150	+143
Categorical grant: Tribal air quality management	10,743	11,050	11,050	+307
Categorical grant: Tribal general assistance program	61,504	57,500	57,500	-4,004
Categorical grant: Underground injection control (UIC)	10,694	11,000	11,000	+306
Categorical grant: Underground storage tanks	11,904	11,950	11,950	+46
Categorical grant: Wastewater operator training	1,488	---	1,200	-288
Categorical grant: Water quality cooperative agreements	16,864	---	---	-16,864
Categorical grant: Wetlands program development	14,880	20,000	16,000	+1,120
Subtotal, Categorical grants	1,136,592	1,181,300	1,129,696	-6,896
Subtotal, State and Tribal Assistance Grants	3,575,349	2,960,800	3,261,696	-313,653
Rescission of expired contracts, grants, and interagency agreements (various EPA accounts)	---	---	-80,000	-80,000
Total, State and Tribal Assistance Grants	3,575,349	2,960,800	3,181,696	-393,653
TOTAL, TITLE II, ENVIRONMENTAL PROTECTION AGENCY	8,026,485	7,520,600	7,732,354	-294,131
Appropriations	(8,023,485)	(7,520,600)	(7,812,354)	(-211,131)
Emergency appropriations	(3,000)	---	---	(-3,000)
Rescissions	---	---	(-80,000)	(-80,000)
(Transfer out)	(-48,704)	(-44,142)	(-44,142)	(+4,562)
(By transfer)	(48,704)	(44,142)	(44,142)	(-4,562)
TITLE III - RELATED AGENCIES				
DEPARTMENT OF AGRICULTURE				
FOREST SERVICE				
Forest and Rangeland Research				
Forest inventory and analysis	55,926	68,714	60,267	+4,341
Research and development programs	220,458	216,686	222,827	+2,369
Total, Forest and rangeland research	276,384	285,400	283,094	+6,710
State and Private Forestry				
Forest Health Management				
Federal lands forest health management	54,236	50,023	54,236	---
Cooperative lands forest health management	47,629	22,308	47,629	---
Subtotal, Forest Health Management	101,865	72,331	101,865	---
Cooperative Fire Protection				
State fire assistance	32,920	20,919	33,422	+502
Volunteer fire assistance	5,917	5,917	6,000	+83
Subtotal, Cooperative Fire Protection	38,837	26,836	39,422	+585

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Cooperative Forestry				
Forest stewardship	32,320	37,099	34,699	+2,379
Forest Legacy	57,134	80,000	57,380	+246
Urban and Community Forestry	31,950	27,475	28,875	-3,075
Economic action programs	19,032	---	9,679	-9,353
Forest resource information and analysis	4,958	4,657	4,657	-301
Subtotal, Cooperative Forestry	145,394	149,231	135,290	-10,104
International program	6,410	4,989	7,000	+590
Emergency appropriations (P.L. 108-324)	49,100	---	---	-49,100
Total, State and Private Forestry	341,606	253,387	283,577	-58,029
National Forest System				
Land management planning	63,167	59,057	59,057	-4,110
Inventory and monitoring	167,302	167,009	170,179	+2,877
Recreation, heritage and wilderness	257,343	257,344	265,200	+7,857
Wildlife and fish habitat management	134,749	124,951	134,850	+101
Grazing management	48,034	44,659	49,000	+966
Forest products	273,247	278,297	284,297	+11,050
Vegetation and watershed management	189,614	193,774	184,050	-5,564
Minerals and geology management	55,747	73,791	85,865	+30,118
Landownership management	92,129	84,157	93,000	+871
Law enforcement operations	86,014	86,326	89,200	+3,186
Valles Caldera National Preserve	3,599	992	5,150	+1,551
Centennial of Service challenge	9,861	---	4,500	-5,361
Hazardous fuels	---	281,000	---	---
Emergency appropriations (P.L. 108-324)	12,153	---	---	-12,153
Total, National Forest System	1,392,959	1,651,357	1,424,348	+31,389
Wildland Fire Management				
Preparedness	676,470	676,014	676,014	-456
Fire suppression operations	648,859	700,492	700,492	+51,633
Additional appropriations, Title IV	394,443	---	---	-394,443
Subtotal, Fire suppression operations	1,043,302	700,492	700,492	-342,810
Other operations				
Hazardous fuels	262,539	---	286,000	+23,461
Rehabilitation	12,819	2,000	6,281	-6,538
Fire plan research and development	21,719	16,885	23,219	+1,500
Joint fire sciences program	7,889	---	8,000	+111
Forest health management (federal lands)	14,792	6,974	15,000	+208
Forest health management (co-op lands)	9,861	4,598	10,000	+139
State fire assistance	40,179	29,415	46,500	+6,321
Volunteer fire assistance	7,889	7,889	7,889	---
Subtotal, Other operations	377,687	67,761	402,889	+25,202
Emergency appropriations (P.L. 108-324)	1,028	---	---	-1,028
Funded in Defense Bill (P.L. 108-287) (sec. 8098)	(30,000)	---	---	(-30,000)
Total, Wildland Fire Management	2,098,487	1,444,267	1,779,395	-319,092
Capital Improvement and Maintenance				
Facilities				
Maintenance	77,657	51,522	51,522	-26,135
Construction	121,112	66,194	75,157	-45,955
Subtotal, Facilities	198,769	117,716	126,679	-72,090
Roads				
Maintenance	148,066	131,357	148,066	---
Construction	78,330	58,202	77,433	-897
Subtotal, Roads	226,396	189,559	225,499	-897
Trails				
Maintenance	41,823	37,540	42,000	+177
Construction	33,884	26,252	34,000	+116
Subtotal, Trails	75,707	63,792	76,000	+293

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Infrastructure improvement	13,829	9,725	13,000	-829
Subtotal, Capital improvement and maintenance	514,701	380,792	441,178	-73,523
Emergency appropriations (P.L. 108-324):				
Facilities	9,195	---	---	-9,195
Roads	33,204	---	---	-33,204
Trails	8,416	---	---	-8,416
Funded in Defense Bill (P.L. 108-287) (sec. 8098)	(10,000)	---	---	(-10,000)
Emergency appropriations (P L 109-13)	24,390	---	---	-24,390
Total, Capital Improvement and Maintenance	589,906	380,792	441,178	-148,728
Land Acquisition				
Forest Service				
Acquisitions	45,722	25,000	28,500	-17,222
Acquisition management	12,820	13,000	12,500	-320
Cash equalization	986	500	500	-486
Critical inholdings/wilderness protection	1,479	1,500	1,000	-479
Total, Land Acquisition	61,007	40,000	42,500	-18,507
Acquisition of lands for national forests, special acts	1,054	1,069	1,069	+15
Acquisition of lands to complete land exchanges	231	234	234	+3
Range betterment fund	3,021	2,963	2,963	-58
Gifts, donations and bequests for forest and rangeland research	64	64	64	---
Management of national forest lands for subsistence uses	5,879	5,467	5,067	-812
TOTAL, FOREST SERVICE	4,770,598	4,065,000	4,263,489	-507,109
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
INDIAN HEALTH SERVICE				
Indian Health Services				
Clinical Services				
IHS and tribal health delivery				
Hospital and health clinic programs	1,289,418	1,359,541	1,359,541	+70,123
Dental health program	109,023	119,489	119,489	+10,466
Mental health program	55,060	59,328	59,328	+4,268
Alcohol and substance abuse program	139,073	145,336	145,336	+6,263
Contract care	480,318	507,021	507,021	+26,703
Catastrophic health emergency fund	17,750	18,000	18,000	+250
Subtotal, Clinical Services	2,090,642	2,208,715	2,208,715	+118,073
Preventive Health				
Public health nursing	45,015	49,690	49,690	+4,675
Health education	12,429	13,787	13,787	+1,358
Community health representatives program	51,365	53,737	53,737	+2,372
Immunization (Alaska)	1,572	1,645	1,645	+73
Subtotal, Preventive Health	110,381	118,859	118,859	+8,478
Urban health projects	31,816	33,233	33,233	+1,417
Indian health professions	30,392	31,503	31,503	+1,111
Tribal management	2,343	2,430	2,430	+87
Direct operations	61,649	63,123	63,123	+1,474
Self-governance	5,586	5,752	5,752	+166
Contract support costs	263,683	268,683	268,683	+5,000
Medicare/Medicaid Reimbursements				
Hospital and clinic accreditation (Est. collecting)	(598,662)	(648,208)	(648,208)	(+49,546)
Total, Indian Health Services	2,596,492	2,732,298	2,732,298	+135,806
(Non-contract services)	(2,098,424)	(2,207,277)	(2,207,277)	(+108,853)
(Contract care)	(480,318)	(507,021)	(507,021)	(+26,703)
(Catastrophic health emergency fund)	(17,750)	(18,000)	(18,000)	(+250)
Indian Health Facilities				
Maintenance and improvement	49,204	49,904	52,404	+3,200
Sanitation facilities	91,767	93,519	93,519	+1,752

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Construction facilities	88,597	3,326	38,343	-50,254
Facilities and environmental health support	141,669	150,959	152,959	+11,290
Equipment	17,337	17,960	21,260	+3,923
Total, Indian Health Facilities	388,574	315,668	358,485	-30,089
TOTAL, INDIAN HEALTH SERVICE	2,985,066	3,047,966	3,090,783	+105,717
NATIONAL INSTITUTES OF HEALTH				
National Institute of Environmental Health Sciences	79,842	80,289	80,289	+447
AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY				
Toxic substances and environmental public health	76,041	76,024	76,024	-17
TOTAL, DEPARTMENT OF HEALTH AND HUMAN SERVICES	3,140,949	3,204,279	3,247,096	+106,147
OTHER RELATED AGENCIES				
EXECUTIVE OFFICE OF THE PRESIDENT				
Council on Environmental Quality and Office of Environmental Quality	3,258	2,717	2,717	-541
CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD				
Salaries and expenses	9,027	9,200	9,200	+173
Emergency fund	397	---	---	-397
Total, Chemical Safety and Hazard	9,424	9,200	9,200	-224
OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION				
Salaries and expenses	4,930	8,601	8,601	+3,671
INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT				
Payment to the Institute	5,916	6,300	6,300	+384
SMITHSONIAN INSTITUTION				
Salaries and Expenses				
Museum and Research Institutes				
Anacostia Museum and Center for African American History and Culture	1,864	1,897	1,897	+33
Archives of American Art	1,806	1,843	1,843	+37
Arthur M. Sackler Gallery/Freer Gallery of Art	5,657	5,772	5,772	+115
Center for Folklife and Cultural Heritage	1,910	1,945	1,945	+35
Cooper-Hewitt, National Design Museum	3,054	3,118	3,118	+64
Hirshhorn Museum and Sculpture Garden	3,997	4,078	4,078	+81
National Air and Space Museum	16,262	16,596	16,596	+334
National Museum of African American History and Culture	3,944	5,098	3,944	---
National Museum of African Art	4,175	4,257	4,257	+82
Smithsonian American Art Museum	7,561	12,028	12,028	+4,467
National Museum of American History	19,962	20,441	20,441	+479
National Museum of the American Indian	31,739	30,540	30,540	-1,199
National Museum of Natural History	42,177	44,063	44,063	+1,886
National Portrait Gallery	4,957	8,409	8,409	+3,452
National Zoological Park	17,576	20,194	20,194	+2,618
Astrophysical Observatory	21,301	22,295	22,295	+994
Center for Materials Research and Education	3,184	3,251	3,251	+67
Environmental Research Center	3,006	3,065	3,065	+59
Tropical Research Institute	11,514	11,219	11,419	-95
Subtoal, Museums and Research Institutes	205,646	220,109	219,155	+13,509

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
Program Support and Outreach				
Outreach	10,050	9,200	9,700	-350
Communications	1,480	1,502	1,502	+22
Institution-wide programs	6,053	6,613	6,613	+560
Office of Exhibits Central	2,598	2,658	2,658	+60
Major scientific instrumentation	3,944	3,944	3,944	---
Museum Support Center	1,640	1,675	1,675	+35
Smithsonian Institution Archives	1,656	1,695	1,695	+39
Smithsonian Institution Libraries	8,611	8,779	8,779	+168
Subtotal, Program Support and Outreach	36,032	36,066	36,566	+534
Administration	63,903	65,929	65,529	+1,626
Facilities Services				
Facilities maintenance	39,371	45,680	46,680	+7,309
Facilities operations, security and support	144,083	156,351	156,351	+12,268
Subtotal, Facilities Services	183,454	202,031	203,031	+19,577
Total, Salaries and Expenses	489,035	524,135	524,281	+35,246
Facilities Capital				
Revitalization	110,355	72,900	73,900	-36,455
Construction	7,879	9,000	18,100	+10,221
Facilities planning and design	7,889	9,000	8,000	+111
Total, Facilities capital	126,123	90,900	100,000	-26,123
TOTAL, SMITHSONIAN INSTITUTION	615,158	615,035	624,281	+9,123
NATIONAL GALLERY OF ART				
Salaries and Expenses				
Care and utilization of art collections	32,110	34,023	34,023	+1,913
Operation and maintenance of buildings and grounds	21,958	23,268	23,268	+1,310
Protection of buildings, grounds and contents	19,437	20,675	20,675	+1,238
General administration	18,203	19,134	19,134	+931
General reduction	---	---	-500	-500
Total, Salaries and Expenses	91,708	97,100	96,600	+4,892
Repair, Restoration and Renovation of Buildings				
Base program	10,946	16,200	16,200	+5,254
TOTAL, NATIONAL GALLERY OF ART	102,654	113,300	112,800	+10,146
JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS				
Operations and maintenance	16,914	17,800	17,800	+886
Construction	16,107	15,200	13,000	-3,107
TOTAL, JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS	33,021	33,000	30,800	-2,221
WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS				
Salaries and expenses	8,863	9,201	9,201	+338
NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES				
National Endowment for the Arts				
Grants and Administration				
Grants				
Direct grants	45,631	45,118	45,118	-513
Challenge America grants	12,857	8,966	8,966	-3,891
National Initiative: American Masterpieces	1,183	4,800	4,800	+3,617

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
State partnerships				
State and regional	23,942	23,691	23,691	-251
Underserved set-aside	6,480	6,417	6,417	-63
Challenge America grants	8,570	5,956	5,956	-2,614
National Initiative: American Masterpieces	789	3,200	3,200	+2,411
Subtotal, State partnerships	39,781	39,264	39,264	-517
Subtotal, Grants	99,452	98,148	98,148	-1,304
Program support	1,270	1,470	1,470	+200
Administration	20,542	21,646	21,646	+1,104
General increase in House and Senate action	---	---	5,000	+5,000
Total, Arts	121,264	121,264	126,264	+5,000
National Endowment for the Humanities				
Grants and Administration				
Grants				
Federal/State partnership	31,387	31,387	31,387	---
Preservation and access	18,643	18,643	18,643	---
Public programs	12,932	12,566	12,566	-366
Research programs	12,881	12,881	12,881	---
Education programs	12,449	12,449	12,449	---
Program development	392	381	381	-11
We The People Initiative grants	11,217	11,217	11,217	---
Subtotal, Grants	99,901	99,524	99,524	-377
Administrative Areas				
Administration	22,255	23,081	23,081	+826
General increase in House and Senate action	---	---	5,000	+5,000
Total, Grants and Administration	122,156	122,605	127,605	+5,449
Matching Grants				
Treasury funds	5,607	5,449	5,449	-158
Challenge grants	10,291	10,000	10,000	-291
Total, Matching Grants	15,898	15,449	15,449	-449
Total, Humanities	138,054	138,054	143,054	+5,000
TOTAL, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES	259,318	259,318	269,318	+10,000
COMMISSION OF FINE ARTS				
Salaries and expenses	1,768	1,893	1,893	+125
NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS				
Grants	6,902	7,000	7,250	+348
ADVISORY COUNCIL ON HISTORIC PRESERVATION				
Salaries and expenses	4,536	4,988	4,860	+324
NATIONAL CAPITAL PLANNING COMMISSION				
Salaries and expenses	7,888	8,344	8,244	+356
UNITED STATES HOLOCAUST MEMORIAL MUSEUM				
Holocaust Memorial Museum	40,858	43,233	42,780	+1,922
PRESIDIO TRUST				
Operations	19,722	20,000	20,000	+278

DEPARTMENT OF INTERIOR AND RELATED AGENCIES
(Amounts in thousands)

	FY 2005 Enacted	FY 2006 Request	Conference	Conference vs. Enacted
WHITE HOUSE COMMISSION ON THE NATIONAL MOMENT OF REMEMBRANCE				
Operations	248	250	250	+2
TOTAL, TITLE III, RELATED AGENCIES	9,036,011	8,411,659	8,669,080	-366,931
Appropriations	(8,940,145)	(8,411,659)	(8,669,080)	(-271,065)
Emergency appropriations	(95,866)	---	---	(-95,866)
TITLE IV - GENERAL PROVISION				
Across-the-board cut (.476%) (rescission) (sec. 437)	---	---	-126,000	-126,000
GRAND TOTAL, ALL TITLES	27,017,724	25,724,328	26,201,541	-816,183

CONFERENCE TOTAL--WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2006 recommended by the Committee of Conference, with comparisons to the fiscal year 2005 amount, the 2006 budget estimates, and the House and Senate bills for 2006 follow:

(In thousands of dollars)

New budget (obligational) authority, fiscal year 2005	$27,017,724
Budget estimates of new (obligational) authority, fiscal year 2006	25,724,328
House bill, fiscal year 2006	26,159,125
Senate bill, fiscal year 2006	26,256,625
Conference agreement, fiscal year 2006	26,201,541
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2005	-816,183
Budget estimates of new (obligational) authority, fiscal year 2006	+477,213
House bill, fiscal year 2006	+42,416
Senate bill, fiscal year 2006	-55,084

CHARLES H. TAYLOR,
JERRY LEWIS,
ZACH WAMP,
JOHN E. PETERSON,
DON SHERWOOD,
ERNEST J. ISTOOK, Jr.,
ROBERT ADERHOLT,
JOHN T. DOOLITTLE,
MICHAEL SIMPSON,
NORMAN D. DICKS,
JAMES P. MORAN,
MAURICE D. HINCHEY,
JOHN W. OLVER,
ALAN B. MOLLOHAN,
Managers on the Part of the House.
CONRAD BURNS,
TED STEVENS,
THAD COCHRAN,
PETE V. DOMENICI,
ROBERT F. BENNETT,
JUDD GREGG,
LARRY CRAIG,
WAYNE ALLARD,
BYRON L. DORGAN,
ROBERT C. BYRD,
PATRICK J. LEAHY,
HARRY REID,
DIANNE FEINSTEIN,
BARBARA A. MIKULSKI,
HERB KOHL,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 2985

Mr. LEWIS of California submitted the following conference report and statement on the bill (H.R. 2985) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes:

CONFERENCE REPORT (H. REPT. 109–189)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2985) ''making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes'', having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

In lieu of the matter inserted, insert:

TITLE I—LEGISLATIVE BRANCH APPROPRIATIONS

SENATE

EXPENSE ALLOWANCES

For expense allowances of the Vice President, $20,000; the President Pro Tempore of the Senate, $40,000; Majority Leader of the Senate, $40,000; Minority Leader of the Senate, $40,000; Majority Whip of the Senate, $10,000; Minority Whip of the Senate, $10,000; President Pro Tempore emeritus, $15,000; Chairmen of the Majority and Minority Conference Committees, $5,000 for each Chairman; and Chairmen of the Majority and Minority Policy Committees, $5,000 for each Chairman; in all, $195,000.

REPRESENTATION ALLOWANCES FOR THE MAJORITY AND MINORITY LEADERS

For representation allowances of the Majority and Minority Leaders of the Senate, $15,000 for each such Leader; in all, $30,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation of officers, employees, and others as authorized by law, including agency contributions, $147,120,000, which shall be paid from this appropriation without regard to the following limitations:

OFFICE OF THE VICE PRESIDENT

For the Office of the Vice President, $2,181,000.

OFFICE OF THE PRESIDENT PRO TEMPORE

For the Office of the President Pro Tempore, $582,000.

OFFICE OF THE PRESIDENT PRO TEMPORE EMERITUS

For the Office of the President Pro Tempore emeritus, $290,000.

OFFICES OF THE MAJORITY AND MINORITY LEADERS

For Offices of the Majority and Minority Leaders, $4,340,000.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

For Offices of the Majority and Minority Whips, $2,644,000.

COMMITTEE ON APPROPRIATIONS

For salaries of the Committee on Appropriations, $13,758,000.

CONFERENCE COMMITTEES

For the Conference of the Majority and the Conference of the Minority, at rates of compensation to be fixed by the Chairman of each such committee, $1,470,000 for each such committee; in all, $2,940,000.

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY AND THE CONFERENCE OF THE MINORITY

For Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority, $728,000.

POLICY COMMITTEES

For salaries of the Majority Policy Committee and the Minority Policy Committee, $1,524,000 for each such committee; in all, $3,048,000.

OFFICE OF THE CHAPLAIN

For Office of the Chaplain, $354,000.

OFFICE OF THE SECRETARY

For Office of the Secretary, $20,866,000.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

For Office of the Sergeant at Arms and Doorkeeper, $56,700,000.

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND MINORITY

For Offices of the Secretary for the Majority and the Secretary for the Minority, $1,584,000.

AGENCY CONTRIBUTIONS AND RELATED EXPENSES

For agency contributions for employee benefits, as authorized by law, and related expenses, $37,105,000.

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

For salaries and expenses of the Office of the Legislative Counsel of the Senate, $5,437,000.

OFFICE OF SENATE LEGAL COUNSEL

For salaries and expenses of the Office of Senate Legal Counsel, $1,306,000.

EXPENSE ALLOWANCES OF THE SECRETARY OF THE SENATE, SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE, AND SECRETARIES FOR THE MAJORITY AND MINORITY OF THE SENATE

For expense allowances of the Secretary of the Senate, $6,000; Sergeant at Arms and Doorkeeper of the Senate, $6,000; Secretary for the Majority of the Senate, $6,000; Secretary for the Minority of the Senate, $6,000; in all, $24,000.

CONTINGENT EXPENSES OF THE SENATE

INQUIRIES AND INVESTIGATIONS

For expenses of inquiries and investigations ordered by the Senate, or conducted under paragraph 1 of rule XXVI of the Standing Rules of the Senate, section 112 of the Supplemental Appropriations and Rescission Act, 1980 (Public Law 96–304), and Senate Resolution 281, 96th Congress, agreed to March 11, 1980, $119,637,000.

EXPENSES OF THE UNITED STATES SENATE CAUCUS ON INTERNATIONAL NARCOTICS CONTROL

For expenses of the United States Senate Caucus on International Narcotics Control, $520,000.

SECRETARY OF THE SENATE

For expenses of the Office of the Secretary of the Senate, $1,980,000.

SERGEANT AT ARMS AND DOORKEEPER OF THE SENATE

For expenses of the Office of the Sergeant at Arms and Doorkeeper of the Senate, $142,000,000, which shall remain available until September 30, 2010.

MISCELLANEOUS ITEMS

For miscellaneous items, $17,000,000, of which up to $500,000 shall be made available for a pilot program for mailings of postal patron postcards by Senators for the purpose of providing notice of a town meeting by a Senator in a county (or equivalent unit of local government) at which the Senator will personally attend: Provided, That any amount allocated to a Senator for such mailing shall not exceed 50 percent of the cost of the mailing and the remaining cost shall be paid by the Senator from other funds available to the Senator.

SENATORS' OFFICIAL PERSONNEL AND OFFICE EXPENSE ACCOUNT

For Senators' Official Personnel and Office Expense Account, $350,000,000.

OFFICIAL MAIL COSTS

For expenses necessary for official mail costs of the Senate, $300,000.

ADMINISTRATIVE PROVISIONS

SEC. 1. GROSS RATE OF COMPENSATION IN OFFICES OF SENATORS. Effective on and after October 1, 2005, each of the dollar amounts contained in the table under section 105(d)(1)(A) of the Legislative Branch Appropriations Act, 1968 (2 U.S.C. 61–1(d)(1)(A)) shall be deemed to be the dollar amounts in that table, as adjusted by law and in effect on September 30, 2005, increased by an additional $50,000 each.

SEC. 2. CONSULTANTS. With respect to fiscal year 2006, the first sentence of section 101(a) of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h–6(a)) shall be applied by substituting ''nine individual consultants'' for ''eight individual consultants''.

SEC. 3. UNITED STATES SENATE COLLECTION. Section 316 of Public Law 101–302 (2 U.S.C. 2107) is amended in the first sentence of subsection (a) by striking ''2005'' and inserting ''2006''.

SEC. 4. SENATE COMMISSION ON ART. Section 3(c)(2) of Public Law 108–83 (2 U.S.C. 2108(c)(2)) is amended by striking ''and for any purposes'' through the period and inserting ''for any purposes for which funds from the contingent fund of the Senate may be used under section 316(a) of Public Law 101–302 (2 U.S.C. 2107(a)), and for expenditures, not to exceed $10,000 in any fiscal year, for meals and refreshments in Capitol facilities in connection with official activities of the Commission or other authorized programs or activities.''.

SEC. 5. ABSENCES. Section 40 of the Revised Statutes (2 U.S.C. 39) is amended by—

(1) striking ''Secretary of the Senate and the'';

(2) striking '', respectively, shall'' and inserting ''shall'';

(3) striking ''Senate or''; and

(4) striking '', respectively, unless'' and inserting '', unless''.

SEC. 6. MODIFICATION OF CERTAIN CONSULTANT REQUIREMENT. Section 10(a)(5) of the Legislative Branch Appropriations Act, 1999 (2 U.S.C. 72d) is amended by inserting '', except that any approval (and related reporting requirement) shall not apply'' after ''May 14, 1975''.

HOUSE OF REPRESENTATIVES

SALARIES AND EXPENSES

For salaries and expenses of the House of Representatives, $1,100,907,000, as follows:

HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, $19,844,000, including: Office of the Speaker, $2,788,000, including $25,000 for official expenses of the Speaker; Office of the Majority Floor Leader, $2,089,000, including $10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, $2,928,000, including $10,000 for official expenses of the Minority Leader; Office of the Majority Whip, including the Chief Deputy Majority Whip, $1,797,000, including $5,000 for official expenses of the Majority Whip; Office of the Minority Whip, including the Chief Deputy Minority Whip, $1,345,000,

including $5,000 for official expenses of the Minority Whip; Speaker's Office for Legislative Floor Activities, $482,000; Republican Steering Committee, $906,000; Republican Conference, $1,548,000; Republican Policy Committee, $307,000; Democratic Steering and Policy Committee, $1,945,000; Democratic Caucus, $816,000; nine minority employees, $1,445,000; training and program development—majority, $290,000; training and program development—minority, $290,000; Cloakroom Personnel—majority, $434,000; and Cloakroom Personnel—minority, $434,000.

MEMBERS' REPRESENTATIONAL ALLOWANCES

INCLUDING MEMBERS' CLERK HIRE, OFFICIAL EXPENSES OF MEMBERS, AND OFFICIAL MAIL

For Members' representational allowances, including Members' clerk hire, official expenses, and official mail, $542,109,000.

COMMITTEE EMPLOYEES

STANDING COMMITTEES, SPECIAL AND SELECT

For salaries and expenses of standing committees, special and select, authorized by House resolutions, $117,913,000: Provided, That such amount shall remain available for such salaries and expenses until December 31, 2006.

COMMITTEE ON APPROPRIATIONS

For salaries and expenses of the Committee on Appropriations, $25,668,000, including studies and examinations of executive agencies and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act of 1946 and to be available for reimbursement to agencies for services performed: Provided, That such amount shall remain available for such salaries and expenses until December 31, 2006.

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, $172,249,000, including: for salaries and expenses of the Office of the Clerk, including not more than $13,000, of which not more than $10,000 is for the Family Room, for official representation and reception expenses, $21,911,000; for salaries and expenses of the Office of the Sergeant at Arms, including the position of Superintendent of Garages, and including not more than $3,000 for official representation and reception expenses, $6,284,000; for salaries and expenses of the Office of the Chief Administrative Officer, $121,471,000, of which $7,806,000 shall remain available until expended; for salaries and expenses of the Office of the Inspector General, $3,991,000; for salaries and expenses of the Office of Emergency Planning, Preparedness and Operations, $5,000,000, to remain available until expended; for salaries and expenses of the Office of General Counsel, $962,000; for the Office of the Chaplain, $161,000; for salaries and expenses of the Office of the Parliamentarian, including the Parliamentarian and $2,000 for preparing the Digest of Rules, $1,767,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, $2,453,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $6,963,000; for salaries and expenses of the Office of Interparliamentary Affairs, $720,000; for other authorized employees, $161,000; and for salaries and expenses of the Office of the Historian, $405,000.

ALLOWANCES AND EXPENSES

For allowances and expenses as authorized by House resolution or law, $223,124,000, including: supplies, materials, administrative costs and Federal tort claims, $4,179,000; official mail for committees, leadership offices, and administrative offices of the House, $410,000; Government contributions for health, retirement, Social Security, and other applicable employee benefits, $214,422,000; supplies, materials, and other costs relating to the House portion of expenses for the Capitol Visitor Center, $3,410,000, to remain available until expended; and miscellaneous items including purchase, exchange, maintenance, repair and operation of House motor vehicles, interparliamentary receptions, and gratuities to heirs of deceased employees of the House, $703,000.

CHILD CARE CENTER

For salaries and expenses of the House of Representatives Child Care Center, such amounts as are deposited in the account established by section 312(d)(1) of the Legislative Branch Appropriations Act, 1992 (2 U.S.C. 2112), subject to the level specified in the budget of the Center, as submitted to the Committee on Appropriations of the House of Representatives.

ADMINISTRATIVE PROVISION

SEC. 101. (a) REQUIRING AMOUNTS REMAINING IN MEMBERS' REPRESENTATIONAL ALLOWANCES TO BE USED FOR DEFICIT REDUCTION OR TO REDUCE THE FEDERAL DEBT. Notwithstanding any other provision of law, any amounts appropriated under this Act for ''HOUSE OF REPRESENTATIVES—SALARIES AND EXPENSES—MEMBERS' REPRESENTATIONAL ALLOWANCES'' shall be available only for fiscal year 2006. Any amount remaining after all payments are made under such allowances for fiscal year 2006 shall be deposited in the Treasury and used for deficit reduction (or, if there is no Federal budget deficit after all such payments have been made, for reducing the Federal debt, in such manner as the Secretary of the Treasury considers appropriate).

(b) REGULATIONS.—The Committee on House Administration of the House of Representatives shall have authority to prescribe regulations to carry out this section.

(c) DEFINITION.—As used in this section, the term ''Member of the House of Representatives'' means a Representative in, or a Delegate or Resident Commissioner to, the Congress.

JOINT ITEMS

For Joint Committees, as follows:

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, $4,276,000, to be disbursed by the Secretary of the Senate.

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $8,781,000, to be disbursed by the Chief Administrative Officer of the House of Representatives.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including: (1) an allowance of $2,175 per month to the Attending Physician; (2) an allowance of $725 per month each to four medical officers while on duty in the Office of the Attending Physician; (3) an allowance of $725 per month to two assistants and $580 per month each not to exceed 11 assistants on the basis heretofore provided for such assistants; and (4) $1,834,000 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, which shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $2,545,000, to be disbursed by the Chief Administrative Officer of the House of Representatives.

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

For salaries and expenses of the Capitol Guide Service and Special Services Office, $4,098,000, to be disbursed by the Secretary of the Senate: Provided, That no part of such amount may be used to employ more than 58 individuals: Provided further, That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than 120 days each, and not more than 10 additional individuals for not more than 6 months each, for the Capitol Guide Service.

STATEMENTS OF APPROPRIATIONS

For the preparation, under the direction of the Committees on Appropriations of the Senate and the House of Representatives, of the statements for the first session of the 109th Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriations bills as required by law, $30,000, to be paid to the persons designated by the chairmen of such committees to supervise the work.

CAPITOL POLICE

SALARIES

For salaries of employees of the Capitol Police, including overtime, hazardous duty pay differential, and Government contributions for health, retirement, social security, professional liability insurance, and other applicable employee benefits, $217,456,000, to be disbursed by the Chief of the Capitol Police or his designee.

GENERAL EXPENSES

For necessary expenses of the Capitol Police, including motor vehicles, communications and other equipment, security equipment and installation, uniforms, weapons, supplies, materials, training, medical services, forensic services, stenographic services, personal and professional services, the employee assistance program, the awards program, postage, communication services, travel advances, relocation of instructor and liaison personnel for the Federal Law Enforcement Training Center, and not more than $5,000 to be expended on the certification of the Chief of the Capitol Police in connection with official representation and reception expenses, $32,000,000, to be disbursed by the Chief of the Capitol Police or his designee: Provided, That, notwithstanding any other provision of law, the cost of basic training for the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 2006 shall be paid by the Secretary of Homeland Security from funds available to the Department of Homeland Security.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 1001. TRANSFER AUTHORITY. Amounts appropriated for fiscal year 2006 for the Capitol Police may be transferred between the headings ''SALARIES'' and ''GENERAL EXPENSES'' upon the approval of the Committees on Appropriations of the Senate and the House of Representatives.

SEC. 1002. MOUNTED HORSE UNIT. (a) The United States Capitol Police may not operate a mounted horse unit during fiscal year 2006 or any succeeding fiscal year.

(b) Not later than 60 days after the date of the enactment of this Act, the Chief of the Capitol Police shall transfer to the Chief of the United States Park Police the horses, equipment, and supplies of the Capitol Police mounted horse unit which remain in the possession of the Capitol Police as of such date.

SEC. 1003. ETHICS IN GOVERMENT ACT. (a) Section 103(h)(1)(A)(i)(I) of the Ethics in Government Act of 1978 (5 U.S.C. App. 103(h)(1)(A)(i)(I)) is amended by inserting ''United States Capitol Police,'' after ''Architect of the Capitol,''.

(b) The amendment made by subsection (a) shall apply with respect to reports filed under the Ethics in Government Act of 1978 for calendar year 2005 and each succeeding calendar year.

SEC. 1004. INSPECTOR GENERAL FOR THE UNITED STATES CAPITOL POLICE. (a) ESTABLISHMENT OF OFFICE.—There is established in the United States Capitol Police the Office of the Inspector General (hereafter in this section referred to as the ''Office''), headed by the Inspector General of the United States Capitol Police (hereafter in this section referred to as the ''Inspector General'').

(b) INSPECTOR GENERAL.—

(1) APPOINTMENT.—The Inspector General shall be appointed by, and under the general supervision of, the Capitol Police Board. The appointment shall be made in consultation with the Inspectors General of the Library of Congress, Government Printing Office, and the Government Accountability Office. The Capitol Police Board shall appoint the Inspector General without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations.

(2) TERM OF SERVICE.—The Inspector General shall serve for a term of 5 years, and an individual serving as Inspector General may be reappointed for not more than 2 additional terms.

(3) REMOVAL.—The Inspector General may be removed from office prior to the expiration of his term only by the unanimous vote of all of the voting members of the Capitol Police Board, and the Board shall communicate the reasons for any such removal to the Committee on House Administration, the Senate Committee on Rules and Administration and the Committees on Appropriations of the House of Representatives and of the Senate.

(4) SALARY.—The Inspector General shall be paid at an annual rate equal to $1,000 less than the annual rate of pay in effect for the Chief of the Capitol Police.

(5) DEADLINE.—The Capitol Police Board shall appoint the first Inspector General under this section not later than 180 days after the date of the enactment of this Act.

(c) DUTIES.—

(1) APPLICABILITY OF DUTIES OF INSPECTOR GENERAL OF EXECUTIVE BRANCH ESTABLISHMENT.—The Inspector General shall carry out the same duties and responsibilities with respect to the United States Capitol Police as an Inspector General of an establishment carries out with respect to an establishment under section 4 of the Inspector General Act of 1978, (5 U.S.C. App. 4), under the same terms and conditions which apply under such section.

(2) SEMIANNUAL REPORTS.—The Inspector General shall prepare and submit semiannual reports summarizing the activities of the Office in the same manner, and in accordance with the same deadlines, terms, and conditions, as an Inspector General of an establishment under section 5 (other than subsection (a)(13) thereof) of the Inspector General Act of 1978, (5 U.S.C. App. 5). For purposes of applying section 5 of such Act to the Inspector General, the Chief of the Capitol Police shall be considered the head of the establishment. The Chief shall, within 30 days of receipt of a report, report to the Capitol Police Board, the Committee on House Administration, the Senate Committee on Rules and Administration, and the Committees on Appropriations of the House of Representatives and of the Senate consistent with section 5(b) of such Act.

(3) INVESTIGATIONS OF COMPLAINTS OF EMPLOYEES AND MEMBERS.—

(A) AUTHORITY.—The Inspector General may receive and investigate complaints or information from an employee or member of the Capitol Police concerning the possible existence of an activity constituting a violation of law, rules, or regulations, or mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to the public health and safety, including complaints or information the investigation of which is under the jurisdiction of the Internal Affairs Division of the Capitol Police as of the date of the enactment of this Act.

(B) NONDISCLOSURE.—The Inspector General shall not, after receipt of a complaint or information from an employee or member, disclose the identity of the employee or member without the consent of the employee or member, unless required by law or the Inspector General determines such disclosure is otherwise unavoidable during the course of the investigation.

(C) PROHIBITING RETALIATION.—An employee or member of the Capitol Police who has authority to take, direct others to take, recommend, or approve any personnel action, shall not, with respect to such authority, take or threaten to take any action against any employee or member as a reprisal for making a complaint or disclosing information to the Inspector General, unless the complaint was made or the information disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

(4) INDEPENDENCE IN CARRYING OUT DUTIES.—Neither the Capitol Police Board, the Chief of the Capitol Police, nor any other member or employee of the Capitol Police may prevent or prohibit the Inspector General from carrying out any of the duties or responsibilities assigned to the Inspector General under this section.

(d) POWERS.—

(1) IN GENERAL.—The Inspector General may exercise the same authorities with respect to the United States Capitol Police as an Inspector General of an establishment may exercise with respect to an establishment under section 6(a) of the Inspector General Act of 1978, (5 U.S.C. App. 6(a)), other than paragraphs (7) and (8) of such section.

(2) STAFF.—

(A) IN GENERAL.—The Inspector General may appoint and fix the pay of such personnel as the Inspector General considers appropriate. Such personnel may be appointed without regard to the provisions of title 5, United States Code, regarding appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no personnel of the Office (other than the Inspector General) may be paid at an annual rate greater than $500 less than the annual rate of pay of the Inspector General under subsection (b)(4).

(B) EXPERTS AND CONSULTANTS.—The Inspector General may procure temporary and intermittent services under section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title.

(C) INDEPENDENCE IN APPOINTING STAFF.—No individual may carry out any of the duties or responsibilities of the Office unless the individual is appointed by the Inspector General, or provides services procured by the Inspector General, pursuant to this paragraph. Nothing in this subparagraph may be construed to prohibit the Inspector General from entering into a contract or other arrangement for the provision of services under this section.

(D) APPLICABILITY OF CAPITOL POLICE PERSONNEL RULES.—None of the regulations governing the appointment and pay of employees of the Capitol Police shall apply with respect to the appointment and compensation of the personnel of the Office, except to the extent agreed to by the Inspector General. Nothing in the previous sentence may be construed to affect subparagraphs (A) through (C).

(3) EQUIPMENT AND SUPPLIES.—The Chief of the Capitol Police shall provide the Office with appropriate and adequate office space, together with such equipment, supplies, and communications facilities and services as determined by the Inspector General to be necessary for the operation of the Office, and shall provide necessary maintenance services for such office space and the equipment and facilities located therein.

(e) TRANSFER OF FUNCTIONS.—

(1) TRANSFER.—To the extent that any office or entity in the Capitol Police prior to the appointment of the first Inspector General under this section carried out any of the duties and responsibilities assigned to the Inspector General under this section, the functions of such office or entity shall be transferred to the Office upon the appointment of the first Inspector General under this section.

(2) NO REDUCTION IN PAY OR BENEFITS.—The transfer of the functions of an office or entity to the Office under paragraph (1) may not result in a reduction in the pay or benefits of any employee of the office or entity, except to the extent required under subsection (d)(2)(A).

(f) EFFECTIVE DATE.—This section shall be effective upon enactment of this Act.

(g) CONFORMING AMENDMENT.—Section 108(b)(2)(D) of the Legislative Branch Appropriations Act, 2001, Public Law 106–554 (2 U.S.C. §1903(b)(2)(D)) is amended to read as follows:

''(D) Prepare annual financial statements for the Capitol Police, and such financial statements shall be audited by the Inspector General of the Capitol Police or by an independent public accountant, as determined by the Inspector General.''.

SEC. 1005. REPORT OF DISBURSEMENTS. (a) IN GENERAL.—Not later than 60 days after the last day of each semiannual period, the Chief of the Capitol Police shall submit to Congress, with respect to that period, a detailed, itemized report of the disbursements for the operations of the United States Capitol Police.

(b) CONTENTS.—The report required by subsection (a) shall include—

(1) the name of each person or entity who receives a payment from the Capitol Police and the amount thereof;

(2) a description of any service rendered to the Capitol Police, together with service dates;

(3) a statement of all amounts appropriated to, or received or expended by, the Capitol Police and any unexpended balances of such amounts for any open fiscal year; and

(4) such additional information as may be required by regulation of the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate.

(c) PRINTING.—Each report under this section shall be printed as a House document.

(d) EFFECTIVE DATE.—This section shall apply with respect to the semiannual periods of October 1 through March 31 and April 1 through September 30 of each year, beginning with the semiannual period in which this section is enacted.

SEC. 1006. CAPITOL POLICE AND TRANSFER OF LIBRARY OF CONGRESS POLICE. (a) LIMITATION ON CERTAIN HIRING AUTHORITY OF CAPITOL POLICE.—Section 1006(b)(3) of the Legislative Branch Appropriations Act, 2004 (Public Law 108–83; 117 Stat. 1023), as amended by section 1002 of the Legislative Branch Appropriations Act, 2005 (2 U.S.C. 1901 note; Public Law 108–447; 118 Stat. 3179), is further amended by adding after subparagraph (D), the following:

''(E) LIMITATION FOR FISCAL YEAR 2006.—During fiscal year 2006, the number of individuals hired under this subsection may not exceed—

''(i) the number of Library of Congress Police employees who separated from service or transferred to a position other than a Library of Congress Police employee position during fiscal year 2005 for whom a corresponding hire was not made under this subsection; and

''(ii) the number of Library of Congress Police employees who separate from service or transfer to a position other than a Library of Congress Police employee position during fiscal year 2006.''.

(b) MEMORANDUM OF UNDERSTANDING.—The Memorandum of Understanding between the Library of Congress and the Capitol Police entered into on December 12, 2004, shall remain in effect through fiscal year 2006, subject to such modifications as may be made in accordance with the modification and dispute resolution provisions of the Memorandum of Understanding.

SEC. 1007. (a) WAIVING REPAYMENT OF CERTAIN OVERTIME COMPENSATION PAID INCORRECTLY.—Except as provided in subsection (b), any individual to whom overtime compensation was paid under section 1009 of the Legislative Branch Appropriations Act, 2003 (Public Law 108–7; 117 Stat. 359), in violation of the restrictions applicable to the payment of such compensation under section 1009(b) of such Act

shall not be required to repay the compensation, but only to the extent the compensation was paid for services provided prior to June 15, 2005.

(b) EXCEPTION.—Subsection (a) shall not apply with respect to any officer or employee of the United States Capitol Police whose annual rate of pay is specified in statute and is not established under the schedule of rates of basic pay established and maintained by the Capitol Police Board.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

For salaries and expenses of the Office of Compliance, as authorized by section 305 of the Congressional Accountability Act of 1995 (2 U.S.C. 1385), $3,112,000, of which $780,000 shall remain available until September 30, 2007: Provided, That the Executive Director of the Office of Compliance may, within the limits of available appropriations, dispose of surplus or obsolete personal property by interagency transfer, donation, or discarding: Provided further, That not more than $500 may be expended on the certification of the Executive Director of the Office of Compliance in connection with official representation and reception expenses.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

For salaries and expenses necessary for operation of the Congressional Budget Office, including not more than $3,000 to be expended on the certification of the Director of the Congressional Budget Office in connection with official representation and reception expenses, $35,450,000.

ADMINISTRATIVE PROVISION

SEC. 1100. (a) PERMITTING WAIVER OF CLAIMS FOR OVERPAYMENT OF PAY AND ALLOWANCES.—Section 5584(g) of title 5, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting ''; and''; and

(3) by inserting immediately after paragraph (6) the following new paragraph:

''(7) the Congressional Budget Office.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to fiscal year 2006 and each succeeding fiscal year.

ARCHITECT OF THE CAPITOL

GENERAL ADMINISTRATION

For salaries for the Architect of the Capitol, and other personal services, at rates of pay provided by law; for surveys and studies in connection with activities under the care of the Architect of the Capitol; for all necessary expenses for the general and administrative support of the operations under the Architect of the Capitol including the Botanic Garden; electrical substations of the Capitol, Senate and House office buildings, and other facilities under the jurisdiction of the Architect of the Capitol; including furnishings and office equipment; including not more than $5,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; for purchase or exchange, maintenance, and operation of a passenger motor vehicle, $76,812,000.

CAPITOL BUILDING

For all necessary expenses for the maintenance, care and operation of the Capitol, $23,352,000, of which $8,300,000 shall remain available until September 30, 2010.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House office buildings, and the Capitol Power Plant, $7,511,000.

SENATE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of Senate office buildings; and furniture and furnishings to be expended under the control and supervision of the Architect of the Capitol, $67,004,000, of which $15,745,000 shall remain available until September 30, 2010.

HOUSE OFFICE BUILDINGS

For all necessary expenses for the maintenance, care and operation of the House office buildings, $59,616,000, of which $20,922,000 shall remain available until September 30, 2010.

CAPITOL POWER PLANT

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; lighting, heating, power (including the purchase of electrical energy) and water and sewer services for the Capitol, Senate and House office buildings, Library of Congress buildings, and the grounds about the same, Botanic Garden, Senate garage, and air conditioning refrigeration not supplied from plants in any of such buildings; heating the Government Printing Office and Washington City Post Office, and heating and chilled water for air conditioning for the Supreme Court Building, the Union Station complex, the Thurgood Marshall Federal Judiciary Building and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation, $58,685,000, of which $1,600,000 shall remain available until September 30, 2010: Provided, That not more than $6,600,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 2006.

LIBRARY BUILDINGS AND GROUNDS

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $68,763,000, of which $42,500,000 shall remain available until September 30, 2010.

CAPITOL POLICE BUILDINGS AND GROUNDS

For all necessary expenses for the maintenance, care and operation of buildings and grounds of the United States Capitol Police, $14,902,000, of which $5,000,000 shall remain available until September 30, 2010.

BOTANIC GARDEN

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; and purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $7,633,000: Provided, That this appropriation shall not be available for construction of the National Garden: Provided further, That of the amount made available under this heading, the Architect may obligate and expend such sums as may be necessary for the maintenance, care and operation of the National Garden established under section 307E of the Legislative Branch Appropriations Act, 1989 (2 U.S.C. 2146), upon vouchers approved by the Architect or a duly authorized designee.

CAPITOL VISITOR CENTER

For an additional amount for the Capitol Visitor Center project, $41,900,000, to remain available until expended, and in addition, $2,300,000 for Capitol Visitor Center operation costs: Provided, That the Architect of the Capitol may not obligate any of the funds which are made available for the Capitol Visitor Center project without an obligation plan approved by the Committees on Appropriations of the Senate and House of Representatives.

ADMINISTRATIVE PROVISIONS

SEC. 1201. (a) Section 108 of the Legislative Branch Appropriations Act, 1991 (2 U.S.C. 1849), is amended in subsection (b), by striking ''8 positions'' and inserting ''9 positions''.

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

SEC. 1202. (a) Section 905 of the 2002 Supplemental Appropriations Act for Further Recovery From and Response To Terrorist Attacks on the United States (2 U.S.C. 1819) is amended—

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

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

''(d) In the case of a building or facility acquired through purchase pursuant to subsection (a), the Architect of the Capitol may enter into or assume a lease with another person for the use of any portion of the building or facility that the Architect of the Capitol determines is not required to be used to carry out the purposes of this section, subject to the approval of the entity which approved the acquisition of such building or facility under subsection (b).''.

(b) The amendments made by subsection (a) shall apply with respect to leases entered into on or after the date of the enactment of this Act.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

(INCLUDING RESCISSION OF FUNDS)

For necessary expenses of the Library of Congress not otherwise provided for, including development and maintenance of the Library's catalogs; custody and custodial care of the Library buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog records and other publications of the Library; hire or purchase of one passenger motor vehicle; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, $395,754,000, of which not more than $6,000,000 shall be derived from collections credited to this appropriation during fiscal year 2006, and shall remain available until expended, under the Act of June 28, 1902 (chapter 1301; 32 Stat. 480; 2 U.S.C. 150) and not more than $350,000 shall be derived from collections during fiscal year 2006 and shall remain available until expended for the development and maintenance of an international legal information database and activities related thereto: Provided, That the Library of Congress may not obligate or expend any funds derived from collections under the Act of June 28, 1902, in excess of the amount authorized for obligation or expenditure in appropriations Acts: Provided further, That the total amount available for obligation shall be reduced by the amount by which collections are less than $6,350,000: Provided further, That of the total amount appropriated, $13,972,000 shall remain available until expended for the partial acquisition of books, periodicals, newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections: Provided further, That of the total amount appropriated, not more than $12,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the Overseas Field Offices: Provided further, That of the total amount appropriated, $5,860,000 shall remain available until expended for the digital collections and educational curricula program under section 1306 of this Act: Provided further, That of the total amount appropriated, $600,000 shall remain available until expended, and shall be transferred to the Abraham Lincoln Bicentennial Commission for carrying out the purposes of Public Law 106–173, of which $10,000 may be used for official representation and reception expenses of the Abraham Lincoln Bicentennial Commission: Provided further, That of the total amount appropriated, $11,078,000 shall remain available until expended for partial support of the National Audio-Visual Conservation Center:

Provided further, That of the total amount appropriated, $250,000 shall be used to provide a grant to the Middle Eastern Text Initiative for translation and publishing of middle eastern text: Provided further, That no funds made available under this heading may be expended inconsistently with the provisions and intent of section 1006 of the Legislative Branch Appropriations Act, 2004 (Public Law 108–83), as amended, and the memorandum of understanding between the Library of Congress and the Capitol Police entered into on December 12, 2004: Provided further, That of the total amount appropriated, $300,000 shall be available to the University of South Carolina for the Cooperative Preservation and Conservation project for the Movietone Newsreel collection: Provided further, That of the total amount appropriated, $400,000 shall be available to the University of Mississippi American Music Archives: Provided further, That of the amounts made available under this heading in chapter 9 of division A of the Miscellaneous Appropriations Act, 2001 (Public Law 106–554; 114 Stat. 2763A–194), $6,858,000 are rescinded.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, $58,601,000, of which not more than $30,481,000, to remain available until expended, shall be derived from collections credited to this appropriation during fiscal year 2006 under section 708(d) of title 17, United States Code: Provided, That the Copyright Office may not obligate or expend any funds derived from collections under such section, in excess of the amount authorized for obligation or expenditure in appropriations Acts: Provided further, That not more than $5,465,000 shall be derived from collections during fiscal year 2006 under sections 111(d)(2), 119(b)(2), 802(h), 1005, and 1316 of such title: Provided further, That the total amount available for obligation shall be reduced by the amount by which collections are less than $35,946,000: Provided further, That not more than $100,000 of the amount appropriated is available for the maintenance of an ''International Copyright Institute'' in the Copyright Office of the Library of Congress for the purpose of training nationals of developing countries in intellectual property laws and policies: Provided further, That not more than $4,250 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for activities of the International Copyright Institute and for copyright delegations, visitors, and seminars: Provided further, That notwithstanding any provision of chapter 8 of title 17, United States Code, any amounts made available under this heading which are attributable to royalty fees and payments received by the Copyright Office pursuant to sections 111, 119, and chapter 10 of such title may be used for the costs incurred in the administration of the Copyright Royalty Judges program.

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $100,916,000: Provided, That no part of such amount may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the Act of March 3, 1931 (chapter 400; 46 Stat. 1487; 2 U.S.C. 135a), $54,449,000, of which $16,231,000 shall remain available until expended: Provided, That of the total amount appropriated, $400,000 shall remain available until expended to reimburse the National Federation of the Blind for costs incurred in the operation of its ''NEWSLINE'' program.

ADMINISTRATIVE PROVISIONS

SEC. 1301. INCENTIVE AWARDS PROGRAM. Of the amounts appropriated to the Library of Congress in this Act, not more than $5,000 may be expended, on the certification of the Librarian of Congress, in connection with official representation and reception expenses for the incentive awards program.

SEC. 1302. REIMBURSABLE AND REVOLVING FUND ACTIVITIES. (a) IN GENERAL.—For fiscal year 2006, the obligational authority of the Library of Congress for the activities described in subsection (b) may not exceed $109,943,000.

(b) ACTIVITIES.—The activities referred to in subsection (a) are reimbursable and revolving fund activities that are funded from sources other than appropriations to the Library in appropriations Acts for the legislative branch.

(c) TRANSFER OF FUNDS.—During fiscal year 2006, the Librarian of Congress may temporarily transfer funds appropriated in this Act, under the heading ''LIBRARY OF CONGRESS'' under the subheading ''SALARIES AND EXPENSES'' to the revolving fund for the FEDLINK Program and the Federal Research Program established under section 103 of the Library of Congress Fiscal Operations Improvement Act of 2000 (Public Law 106–481; 2 U.S.C. 182c): Provided, That the total amount of such transfers may not exceed $1,900,000: Provided further, That the appropriate revolving fund account shall reimburse the Library for any amounts transferred to it before the period of availability of the Library appropriation expires.

SEC. 1303. NATIONAL DIGITAL INFORMATION INFRASTRUCTURE AND PRESERVATION PROGRAM. The Miscellaneous Appropriations Act, 2001 (enacted into law by section 1(a)(4) of Public Law 106–554, 114 Stat. 2763A–194) is amended in the first proviso under the subheading ''SALARIES AND EXPENSES'' under the heading ''LIBRARY OF CONGRESS'' in chapter 9 of division A by adding at the end '', except that an amount not to exceed $10,000,000 of such additional $75,000,000 shall remain available until expended and may be used for competitive grants to State governmental entities, without regard to any matching contribution requirement, to work cooperatively to collect and preserve at-risk digital State and local government information''.

SEC. 1304. UNITED STATES DIPLOMATIC FACILITIES. Funds made available for the Library of Congress under this Act are available for transfer to the Department of State as remittance for a fee charged by the Department for fiscal year 2006 for the maintenance, upgrade, or construction of United States diplomatic facilities only to the extent that the amount of the fee so charged is equal to or less than the unreimbursed value of the services provided during fiscal year 2006 to the Library of Congress on State Department diplomatic facilities.

SEC. 1305. PARLIAMENTARY DEVELOPMENT. (a) Section 208 of the Legislative Branch Appropriations Act, 1996 (Public Law 104–53; 109 Stat. 532), is hereby repealed.

(b) The amendment made by this section shall take effect on the date of the enactment of this Act or October 1, 2005, whichever occurs earlier.

SEC. 1306. INCORPORATION OF DIGITAL COLLECTIONS INTO EDUCATIONAL CURRICULA. (a) SHORT TITLE.—This section may be cited as the ''Library of Congress Digital Collections and Educational Curricula Act of 2005''.

(b) PROGRAM.—The Librarian of Congress shall administer a program to teach educators and librarians how to incorporate the digital collections of the Library of Congress into educational curricula.

(c) EDUCATIONAL CONSORTIUM.—In administering the program under this section, the Librarian of Congress may—

(1) establish an educational consortium to support the program; and

(2) make funds appropriated for the program available to consortium members, educational institutions, and libraries.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2006 and each fiscal year thereafter.

SEC. 1307. INSPECTOR GENERAL OF THE LIBRARY OF CONGRESS. (a) SHORT TITLE.—This section may be cited as the ''Library of Congress Inspector General Act of 2005''.

(b) OFFICE OF INSPECTOR GENERAL.—There is an Office of Inspector General within the Library of Congress which is an independent objective office to—

(1) conduct and supervise audits and investigations (excluding incidents involving violence and personal property) relating to the Library of Congress;

(2) provide leadership and coordination and recommend policies to promote economy, efficiency, and effectiveness; and

(3) provide a means of keeping the Librarian of Congress and the Congress fully and currently informed about problems and deficiencies relating to the administration and operations of the Library of Congress.

(c) APPOINTMENT OF INSPECTOR GENERAL; SUPERVISION; REMOVAL.—

(1) APPOINTMENT AND SUPERVISION.—

(A) IN GENERAL.—There shall be at the head of the Office of Inspector General, an Inspector General who shall be appointed by the Librarian of Congress without regard to political affiliation and solely on the basis of integrity and demonstrated ability in accounting, auditing, financial analysis, law, management analysis, public administration, or investigations. The Inspector General shall report to, and be under the general supervision of, the Librarian of Congress.

(B) AUDITS, INVESTIGATIONS, AND REPORTS.—The Librarian of Congress shall have no authority to prevent or prohibit the Inspector General from—

(i) initiating, carrying out, or completing any audit or investigation;

(ii) issuing any subpoena during the course of any audit or investigation; or

(iii) issuing any report.

(2) REMOVAL.—The Inspector General may be removed from office by the Librarian of Congress. The Librarian of Congress shall, promptly upon such removal, communicate in writing the reasons for any such removal to each House of the Congress.

(d) DUTIES, RESPONSIBILITIES, AUTHORITY, AND REPORTS.—

(1) IN GENERAL.—Sections 4, 5 (other than subsections (a)(13)), 6(a) (other than paragraphs (7) and (8) thereof), and 7 of the Inspector General Act of 1978 (5 U.S.C. App.) shall apply to the Inspector General of the Library of Congress and the Office of such Inspector General and such sections shall be applied to the Library of Congress and the Librarian of Congress by substituting—

(A) ''Library of Congress'' for ''establishment''; and

(B) ''Librarian of Congress'' for ''head of the establishment''.

(2) EMPLOYEES.—The Inspector General, in carrying out the provisions of this section, is authorized to select, appoint, and employ such officers and employees (including consultants) as may be necessary for carrying out the functions, powers, and duties of the Office of Inspector General subject to the provisions of law governing selections, appointments, and employment in the Library of Congress.

(e) TRANSFERS.—All functions, personnel, and budget resources of the Office of Investigations of the Library of Congress are transferred to the Office of Inspector General.

(f) INCUMBENT.—The individual who serves in the position of Inspector General of the Library of Congress on the date of enactment of this Act shall continue to serve in that position, subject to removal in accordance with this section.

(g) REFERENCES.—References in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to the Inspector General of the Library of Congress shall be deemed to refer to the Inspector General of the Library of Congress as set forth under this section.

(h) EFFECTIVE DATE.—This section shall be effective upon enactment of this Act.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

(INCLUDING TRANSFER OF FUNDS)

For authorized printing and binding for the Congress and the distribution of Congressional information in any format; printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (section 902 of title 44, United States Code); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, $88,090,000: Provided, That this appropriation shall not be available for paper copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under section 906 of title 44, United States Code: Provided further, That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years: Provided further, That notwithstanding the 2-year limitation under section 718 of title 44, United States Code, none of the funds appropriated or made available under this Act or any other Act for printing and binding and related services provided to Congress under chapter 7 of title 44, United States Code, may be expended to print a document, report, or publication after the 27-month period beginning on the date that such document, report, or publication is authorized by Congress to be printed, unless Congress reauthorizes such printing in accordance with section 718 of title 44, United States Code: Provided further, That any unobligated or unexpended balances in this account or accounts for similar purposes for preceding fiscal years may be transferred to the Government Printing Office revolving fund for carrying out the purposes of this heading, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate.

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses of the Office of Superintendent of Documents necessary to provide for the cataloging and indexing of Government publications and their distribution to the public, Members of Congress, other Government agencies, and designated depository and international exchange libraries as authorized by law, $33,337,000: Provided, That amounts of not more than $2,000,000 from current year appropriations are authorized for producing and disseminating Congressional serial sets and other related publications for fiscal years 2004 and 2005 to depository and other designated libraries: Provided further, That any unobligated or unexpended balances in this account or accounts for similar purposes for preceding fiscal years may be transferred to the Government Printing Office revolving fund for carrying out the purposes of this heading, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

For payment to the Government Printing Office Revolving Fund, $2,000,000 for workforce retraining: Provided, That the Government Printing Office may make such expenditures, within the limits of funds available and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 9104 of title 31, United States Code, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the Government Printing Office revolving fund: Provided further, That not more than $5,000 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: Provided further, That the revolving fund shall be available for the hire or purchase of not more than 12 passenger motor vehicles: Provided further, That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: Provided further, That the revolving fund shall be available for temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level V of the Executive Schedule under section 5316 of such title: Provided further, That the revolving fund and the funds provided under the headings ''OFFICE OF SUPERINTENDENT OF DOCUMENTS'' and ''SALARIES AND EXPENSES'' together may not be available for the full-time equivalent employment of more than 2,621 workyears (or such other number of workyears as the Public Printer may request, subject to the approval of the Committees on Appropriations of the House of Representatives and Senate): Provided further, That activities financed through the revolving fund may provide information in any format: Provided further, That not more than $10,000 may be expended from the revolving fund in support of the activities of the Benjamin Franklin Tercentenary Commission established by Public Law 107–202.

GOVERNMENT ACCOUNTABILITY OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Government Accountability Office, including not more than $12,500 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; temporary or intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not more than the daily equivalent of the annual rate of basic pay for level IV of the Executive Schedule under section 5315 of such title; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with section 3324 of title 31, United States Code; benefits comparable to those payable under sections 901(5), (6), and (8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), (6), and (8)); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries, $482,395,000: Provided, That not more than $5,104,000 of payments received under section 782 of title 31, United States Code, shall be available for use in fiscal year 2006: Provided further, That not more than $2,061,000 of reimbursements received under section 9105 of title 31, United States Code, shall be available for use in fiscal year 2006: Provided further, That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of either Forum's costs as determined by the respective Forum, including necessary travel expenses of non-Federal participants: Provided further, That payments hereunder to the Forum may be credited as reimbursements to any appropriation from which costs involved are initially financed.

OPEN WORLD LEADERSHIP CENTER TRUST FUND

For a payment to the Open World Leadership Center Trust Fund for financing activities of the Open World Leadership Center under section 313 of the Legislative Branch Appropriations Act, 2001 (2 U.S.C. 1151), $14,000,000.

JOHN C. STENNIS CENTER FOR PUBLIC SERVICE TRAINING AND DEVELOPMENT

For payment to the John C. Stennis Center for Public Service Development Trust Fund established under section 116 of the John C. Stennis Center for Public Service Training and Development Act (2 U.S.C. 1105), $430,000.

TITLE II—GENERAL PROVISIONS

SEC. 201. MAINTENANCE AND CARE OF PRIVATE VEHICLES. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration and for the Senate issued by the Committee on Rules and Administration.

SEC. 202. FISCAL YEAR LIMITATION. No part of the funds appropriated in this Act shall remain available for obligation beyond fiscal year 2006 unless expressly so provided in this Act.

SEC. 203. RATES OF COMPENSATION AND DESIGNATION. Whenever in this Act any office or position not specifically established by the Legislative Pay Act of 1929 (46 Stat. 32 et seq.) is appropriated for or the rate of compensation or designation of any office or position appropriated for is different from that specifically established by such Act, the rate of compensation and the designation in this Act shall be the permanent law with respect thereto: Provided, That the provisions in this Act for the various items of official expenses of Members, officers, and committees of the Senate and House of Representatives, and clerk hire for Senators and Members of the House of Representatives shall be the permanent law with respect thereto.

SEC. 204. CONSULTING SERVICES. The expenditure of any appropriation under this Act for any consulting service through procurement contract, under section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued under existing law.

SEC. 205. AWARDS AND SETTLEMENTS. Such sums as may be necessary are appropriated to the account described in subsection (a) of section 415 of the Congressional Accountability Act of 1995 (2 U.S.C. 1415(a)) to pay awards and settlements as authorized under such subsection.

SEC. 206. COSTS OF LBFMC. Amounts available for administrative expenses of any legislative branch entity which participates in the Legislative Branch Financial Managers Council (LBFMC) established by charter on March 26, 1996, shall be available to finance an appropriate share of LBFMC costs as determined by the LBFMC, except that the total LBFMC costs to be shared among all participating legislative branch entities (in such allocations among the entities as the entities may determine) may not exceed $2,000.

SEC. 207. LANDSCAPE MAINTENANCE. The Architect of the Capitol, in consultation with the District of Columbia, is authorized to maintain and improve the landscape features, excluding streets and sidewalks, in the irregular shaped grassy areas bounded by Washington Avenue, SW on the northeast, Second Street SW on the west, Square 582 on the south, and the beginning of the I–395 tunnel on the southeast.

SEC. 208. LIMITATION ON TRANSFERS. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

TITLE III—CONTINUITY IN REPRESENTATION

SEC. 301. Section 26 of the Revised Statutes of the United States (2 U.S.C. 8) is amended—

(1) by striking ''The time'' and inserting ''(a) IN GENERAL.—Except as provided in subsection (b), the time''; and

(2) by adding at the end the following new subsection:

''(b) SPECIAL RULES IN EXTRAORDINARY CIRCUMSTANCES.—

''(1) IN GENERAL.—In extraordinary circumstances, the executive authority of any State in which a vacancy exists in its representation in the House of Representatives shall issue a writ of election to fill such vacancy by special election.

''(2) TIMING OF SPECIAL ELECTION.—A special election held under this subsection to fill a vacancy shall take place not later than 49 days after the Speaker of the House of Representatives announces that the vacancy exists, unless, during the 75-day period which begins on the date of the announcement of the vacancy—

''(A) a regularly scheduled general election for the office involved is to be held; or

''(B) another special election for the office involved is to be held, pursuant to a writ for a special election issued by the chief executive of the State prior to the date of the announcement of the vacancy.

''(3) NOMINATIONS BY PARTIES.—If a special election is to be held under this subsection, the determination of the candidates who will run in such election shall be made—

''(A) by nominations made not later than 10 days after the Speaker announces that the vacancy exists by the political parties of the State that are authorized by State law to nominate candidates for the election; or

''(B) by any other method the State considers appropriate, including holding primary elections, that will ensure that the State will hold the special election within the deadline required under paragraph (2).

''(4) EXTRAORDINARY CIRCUMSTANCES.—

''(A) IN GENERAL.—In this subsection, 'extraordinary circumstances' occur when the Speaker of the House of Representatives announces that vacancies in the representation from the States in the House exceed 100.

''(B) JUDICIAL REVIEW.—If any action is brought for declaratory or injunctive relief to challenge an announcement made under subparagraph (A), the following rules shall apply:

''(i) Not later than 2 days after the announcement, the action shall be filed in the United States District Court having jurisdiction in the district of the Member of the House of Representatives whose seat has been announced to be vacant and shall be heard by a 3-judge court convened pursuant to section 2284 of title 28, United States Code.

''(ii) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives.

''(iii) A final decision in the action shall be made within 3 days of the filing of such action and shall not be reviewable.

''(iv) The executive authority of the State that contains the district of the Member of the House of Representatives whose seat has been announced to be vacant shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the announcement of such vacancy.

''(5) PROTECTING ABILITY OF ABSENT MILITARY AND OVERSEAS VOTERS TO PARTICIPATE IN SPECIAL ELECTIONS.—

''(A) DEADLINE FOR TRANSMITTAL OF ABSENTEE BALLOTS.—In conducting a special election held under this subsection to fill a vacancy in its representation, the State shall ensure to the greatest extent practicable (including through the use of electronic means) that absentee ballots for the election are transmitted to absent uniformed services voters and overseas voters (as such terms are defined in the Uniformed and Overseas Citizens Absentee Voting Act) not later than 15 days after the Speaker of the House of Representatives announces that the vacancy exists.

''(B) PERIOD FOR BALLOT TRANSIT TIME.—Notwithstanding the deadlines referred to in paragraphs (2) and (3), in the case of an individual who is an absent uniformed services voter or an overseas voter (as such terms are defined in the Uniformed and Overseas Citizens Absentee Voting Act), a State shall accept and process any otherwise valid ballot or other election material from the voter so long as the ballot or other material is received by the appropriate State election official not later than 45 days after the State transmits the ballot or other material to the voter.

''(6) APPLICATION TO DISTRICT OF COLUMBIA AND TERRITORIES.—This subsection shall apply—

''(A) to a Delegate or Resident Commissioner to the Congress in the same manner as it applies to a Member of the House of Representatives; and

''(B) to the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, and the United States Virgin Islands in the same manner as it applies to a State, except that a vacancy in the representation from any such jurisdiction in the House shall not be taken into account by the Speaker in determining whether vacancies in the representation from the States in the House exceed 100 for purposes of paragraph (4)(A).

''(7) RULE OF CONSTRUCTION REGARDING FEDERAL ELECTION LAWS.—Nothing in this subsection may be construed to affect the application to special elections under this subsection of any Federal law governing the administration of elections for Federal office (including any law providing for the enforcement of any such law), including, but not limited to, the following:

''(A) The Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.), as amended.

''(B) The Voting Accessibility for the Elderly and Handicapped Act (42 U.S.C. 1973ee et seq.), as amended.

''(C) The Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff et seq.), as amended.

''(D) The National Voter Registration Act of 1993 (42 U.S.C. 1973gg et seq.), as amended.

''(E) The Americans With Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), as amended.

''(F) The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), as amended.

''(G) The Help America Vote Act of 2002 (42 U.S.C. 15301 et seq.), as amended.''.

And the Senate agree to the same.

Amendment Numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

Delete the matter stricken, delete the matter inserted, and strike all beginning on page 2, line 5, down through and including page 8, line 12 of the House engrossed bill, H.R. 2985.

And the Senate agree to the same.

Amendment Numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

Delete the matter stricken, delete the matter inserted, and strike all beginning on page 24, line 12, down through and including page 24, line 16 of the House engrossed bill, H.R. 2985.

And the Senate agree to the same.

Amendment Numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

Delete the matter stricken, delete the matter inserted, and strike all beginning on page 41, line 10, down through and including page 43, line 24 of the House engrossed bill, H.R. 2985.

And the Senate agree to the same.

Amendment Numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5.

And the Senate agree to the same.

JERRY LEWIS,
JACK KINGSTON,
KAY GRANGER,
JOHN T. DOOLITTLE,
RAY LAHOOD,
STENY H. HOYER,
JAMES P. MORAN,
Managers on the Part of the House.

WAYNE ALLARD,
THAD COCHRAN,
MIKE DEWINE,
TED STEVENS,
RICHARD DURBIN,
TIM JOHNSON,
ROBERT C. BYRD
(except Title III),
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2985) making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The Senate amended the House bill with five numbered amendments. The conference agreement addresses all the differences contained in the five amendments in the disposition of the first numbered amendment. The first numbered amendment therefore includes a complete version of the Legislative Branch bill. An explanation of the resolution of the differences of the other four numbered amendments is included in the first numbered amendment. The disposition of the other four numbered amendments therefore is purely technical in nature to enable the complete bill text to be included in the first amendment.

Amendment numbered 1: Deletes the matter inserted and inserts complete bill text excluding the short title.

Many items in both House and Senate Legislative Branch Appropriations bills are identical and are included in the conference agreement without change. The conferees have endorsed statements of policy contained in the House and Senate reports accompanying the appropriations bills, unless amended or restated herein. With respect to those items in the conference agreement that differ between House and Senate bills, the conferees have agreed to the following with the appropriate section numbers, punctuation, and other technical corrections:

TITLE I

SENATE

The conferees agree to appropriate $785,549,000 for Senate operations. Inasmuch as these items relate solely to the Senate, and in accord with long practice under which each body determines its own housekeeping

requirements and the other concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, have receded to the amendment of the Senate.

HOUSE OF REPRESENTATIVES

The conferees agree to appropriate $1,100,907,000 for House operations. Inasmuch as these items relate solely to the House, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the Senate, at the request of the managers on the part of the House, have receded to the amendments of the House.

JOINT ITEMS

JOINT ECONOMIC COMMITTEE

The conference agreement includes $4,276,000 as proposed by the House and the Senate.

JOINT COMMITTEE ON TAXATION

The conference agreement includes $8,781,000 as proposed by the House and the Senate.

OFFICE OF THE ATTENDING PHYSICIAN

The conference agreement includes $2,545,000 as proposed by the House and the Senate.

CAPITOL GUIDE SERVICE AND SPECIAL SERVICES OFFICE

The conference agreement includes $4,098,000 for the Capitol Guide Service and Special Services Office as proposed by the Senate instead of $4,268,000 as proposed by the House.

STATEMENTS OF APPROPRIATIONS

The conference agreement includes $30,000 as proposed by the House and the Senate.

CAPITOL POLICE

In fiscal year (FY) 2001, in response to pervasive management issues at the United States Capitol Police (USCP), the conferees directed the USCP to establish a Chief Administrative Officer (CAO) position with the overall responsibility for improving administrative operations of the USCP, including human resources, information technology, financial management and budgeting. In FY 2001 and subsequent years, the conferees also required the Government Accountability Office (GAO) to report periodically on the progress of the USCP in improving operations.

The conferees are disappointed with the slow pace of improvements and the broad range of management issues that continue to surface, including problems in procurements, project management, budget execution, and payroll and compensation issues. The conferees-believe that there has not been adequate management emphasis on improving administrative operations. The tone set by management influences the actions of staff throughout the organization in helping to ensure good management practices and effective operations.

The conferees direct the Chief, the Assistant Chief, and the CAO to place a renewed emphasis on implementing basic internal control throughout their operations, with an emphasis on instilling accountability for good internal control procedures and practices throughout the organization, while leading by example in this area and setting an appropriate tone at the top. Internal control represents the series of actions and activities that are put in place throughout an entity's operations on an ongoing basis and should be designed to provide reasonable assurance over (1) the effectiveness and efficiency of operations, (2) compliance with laws and regulations, (3) safeguarding of assets, and (4) the reliability of financial reporting and other types of reporting.

The conferees direct the Chief to implement a structured internal control program that meets the above objectives and includes the standard elements of internal control from basic management literature and GAO's Standards for Internal Control in the Federal Government. The conferees require the Chief to provide a written plan describing specific actions and timeframes required to address these objectives including how the USCP's new financial management system will improve the reliability of financial reporting, budget execution and reprogramming. The written plan is due on October 1, 2005, with quarterly reports on progress thereafter.

The conferees also direct the Comptroller General to undertake a review of USCP overtime usage. Specifically, the Comptroller General shall review (1) the requirements that necessitate the need for USCP overtime, (2) how USCP is managing and accounting for overtime use, and (3) the extent to which the deployment of technology might help defer the need for some USCP overtime.

Reprogramming Guidelines—The conferees direct that the United States Capitol Police may not carry out any reprogramming, transfer, or use of funds unless: (1) the Chief of the Capitol Police submits a request for the reprogramming, transfer, or use of funds to the Committees on Appropriations of the House and Senate on or before August 1 of the respective year, unless both such committees agree to accept the request at a later date because of extraordinary and emergency circumstances cited by the Chief; (2) the request contains clearly stated and detailed documentation presenting justifications for the reprogramming, transfer, or use of funds; (3) the request contains a declaration that, as of the date of the request, none of the funds included in the request have been obligated, and none will be obligated until both committees have approved the request; and (4) both committees approve the request.

A reprogramming, transfer, or use of unobligated balances request is required if (1) the amount to be shifted to or from any object class, approved budget, or program involved under the request, or the aggregate amount to be shifted to or from any object class, approved budget, or program involved during the fiscal year taking into account the amount contained in the request, is in excess of $250,000 or 10 percent, whichever is less, of the object class, approved budget, or program; (2) the reprogramming or use of funds would result in a major change to the program or item which is different than that presented to and approved by the Committees on Appropriations of the House and Senate; or (3) the funds involved were earmarked by either of the committees for a specific activity which is different that the activity proposed under the request, without regard to whether the amount provided in the earmark is less than, equal to, or greater than the amount required to carry out the activity.

In 2003, Public Law 108–83 extended the Capitol Police jurisdiction zone solely for truck interdiction. In the Spring of 2003, the House and Senate Committees on Appropriations were given assurances by the Capitol Police that technology existed for an integrated program to assist in truck interdiction and subsequently approved $18, 891,300 for the technology. In July of 2004, the Government Accountability Office voiced concerns about the contract for the program and the lack of procurement oversight of the project. In March of 2005, the Committees were informed that the technology did not exist to support this effort. The Conferees have serious concerns over the lack of stewardship of the taxpayer dollars and how this exemplifies pervasive management issues and lack of asset accountability within the Capitol Police. The conferees direct the GAO to report on this issue in their next semi-annual report. In addition, the conferees note that the effective date of this provision was to be upon approval of regulations prescribed by the Capitol Police Board for the sole implementation, execution and maintenance of the truck interdiction program by the Committee on Rules and Administration of the Senate and the Committee on House Administration. It is the conferees' understanding that to date this has not been accomplished.

The conferees have included an administrative provision (Section 1004) that establishes an Office of the Inspector General of the United States Capitol Police. The conferees direct the Capitol Police Board to enter into a contract with an executive employment search organization to perform a nation-wide recruitment for the Inspector General. The conferees further direct the formation of a panel comprised of the Inspectors General of the Government Accountability Office, the Government Printing Office, and the Library of Congress to review the applications, interview the top applicants, and forward a recommendation, including not less than three candidates, to the voting members of the Capitol Police Board for review and final selection within 180 days of enactment of this Act.

SALARIES

The conference agreement includes $217,456,000 for salaries of officers, members, and employees of the Capitol Police instead of $210,350,000 as proposed by the House and $222,600,000 as proposed by the Senate. This level will support the current staffing level of 1,592 officers and an additional 43 officers for the Library of Congress. Funding is provided for an additional 45 officers of the Capitol Visitor Center, as of August 2006. The conferees direct that these positions not be advertised until approved by the House Committee on Administration and the Senate Committee on Rules and Administration. This level of funding will also support 414 civilians as proposed by the House.

GENERAL EXPENSES

The conference agreement includes $32,000,000 for general expenses of the Capitol Police instead of $29,345,000 as proposed by the House and $42,000,000 as proposed by the Senate. In addition, $10,000,000 from prior year unobligated balances is available upon the approval of the Committees on Appropriations of the House and Senate.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

The conferees have included an administrative provision, section 1001, which authorizes transfers between various accounts upon the approval of the Committees on Appropriations of the House and Senate. Section 1002 terminates the mounted horse unit and transfers the horses, equipment, and supplies to the United States Park Police. Section 1003 requires Capitol Police employees to file annual reports under the Ethics in Government Act with the Clerk of the House of Representatives. Section 1004 establishes an Office of Inspector General. Section 1005 requires semiannual reports of disbursements. Section 1006 continues current authority of the USCP to fill Library of Congress police vacancies with Capitol Police officers. Section 1007 relates to certain overtime compensation.

The conferees are very concerned about problems recently raised by the GAO concerning the inappropriate payment of compensatory time and overtime to employees of the Capitol Police who are exempt from the Fair Labor Standards Act (FLSA). The conferees have included Section 1007, which

waives the repayment of certain overtime compensation pair incorrectly, to minimize the impact of flawed management controls on Capitol Police officers. The conferees are aware that the Captiol Police Board has promulgated regulations to bring Capitol Police overtime and compensatory time for FLSA-exempt employees into compliance with all relevant laws, and that these regulations are awaiting approval from the authorizing committees. In its ruling on this issue, the GAO stated its intention to issue a second opinion that will address the authority to provide overtime pay and compensatory leave to non statutory civilian employees and FLSA-exempt members of the USCP. The conferees encourage the Capitol Police Board to work closely with the Committee on House Administration and the Senate Committee on Rules and Administration to address any further issues which may arise from GAO's second opinion.

OFFICE OF COMPLIANCE

SALARIES AND EXPENSES

The conference agreement includes $3,112,000 as proposed by the House and the Senate. The conferees have included an official representation and reception allowance as proposed by the House.

CONGRESSIONAL BUDGET OFFICE

SALARIES AND EXPENSES

The conference agreement includes $35,450,000 for salaries and expenses of the Congressional Budget Office as proposed by the rouse instead of $35,853,000 as proposed by the Senate.

ADMINISTRATIVE PROVISION

The conferees have agreed in Section 1100, as proposed by the House and the Senate, to provide authority for the Director of the Congressional Budget Office to permit waivers of claims for overpayments of pay and allowances.

ARCHITECT OF THE CAPITOL

GENERAL ADMINISTRATION

The conference agreement includes $76,812,000 for General Administration instead of $77,002,000 as proposed by the House and $76,522,000 as proposed by the Senate. The study for emergency power requirements is funded in the amount of $350,000 as proposed by the House, but will be funded on an annual instead of a multi-year basis, as agreed to by the conferees.

With respect to the operations and projects the House and Senate conferees have agreed to the following:

Operating Budget	$76,462,000
Project Budget:	
1. Study, Emergency Power Requirements	350,000
Total, General Administration	76,812,000

CAPITOL BUILDING

The conference agreement includes $23,352,000, of which $8,300,000 shall remain available until September 30, 2010, for maintenance, care and operation of the Capitol to the Architect of the Capitol, instead of $22,097,000, of which $6,580,000 would remain available until September 30, 2008 as proposed by the House, and $25,380,000, of which $10,055,000 would remain available until September 30,2010, as proposed by the Senate.

With respect to operations and projects the House and Senate conferees have agreed to the following:

Operating Budget	$14,259,000
Project Budget:	
1. Replacement of Minton Tile	225,000
2. Computer, Telecom, and Electrical Support	298,000
3. Restoration of East Front Bronze Doors	270,000
4. Emergency Power Upgrades, House Chamber	120,000
5. Minor Construction	2,500,000
6. Emergency Exit Signs and Lighting, CB	1,000,000
7. Emergency Electrical Service Upgrade, CB	2,980,000
8. West Terrace Egress Doors and Stairs, CB	1,700,000
Total, Capitol Building	23,352,000

CAPITOL GROUNDS

The conference agreement includes $7,511,000 to the Architect of the Capitol for the care and improvements of the grounds surrounding the Capitol, House and Senate office buildings, and the Capitol Power Plant, instead of $7,723,000, of which $740,000 would remain available until September 30, 2008 as proposed by the House, and $7,061,000, as proposed by the Senate.

With respect to operations and projects the House and Senate conferees have agreed to the following:

Operating Budget	$6,846,000
Project Budget:	
1. CVC Land Restoration	50,000
2. National Garden Sidewalks	165,000
3. East Front Plantings	450,000
Total, Capitol Grounds	7,511,000

SENATE OFFICE BUILDINGS

The conferees agree to appropriate $67,004,000, of which $15,745,000 would remain available until September 30,2010, for the maintenance, care and operation of the Senate office buildings to the Architect of the Capitol. Inasmuch as this item relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, have receded to the Senate.

Operating Budget	$49,274,000
Project Budget:	
1. Refinish Historic Woodwork	285,000
2. Seal Fire Wall Penetrations, HSOB & DSOB	300,000
3. Replace Carpet, HSOB	300,000
4. Point, Caulk, and Clean, RSOB	200,000
5. Legislative Call System Upgrade, Phase I	400,000
6. Electrical and Data Wire Management	40,000
7. Rotunda Electrical and Data Wire Management	75,000
8. Network Transformer Replacement	90,000
9. Fire Alarm replacement SCCC & SWPR	100,000
10. Tunnel Fire Protection Upgrades	250,000
11. Color Coded Egress	100,000
12. Egress Improvements	500,000
13. Smoke Management System Installation	150,000
14. Minor Construction	4,000,000
15. Emergency Lighting Upgrades, HSOB	3,600,000
16. Replace Modular Furniture, HSOB	3,900,000
17. Public Restroom Upgrades, South Stack, HSOB	2,400,000
18. High Voltage Switchgear Replacement, HSOB	540,000
19. Repair Marble Floors and Clean Arch Surfaces	500,000
Total, Senate Office Buildings	67,004,000

HOUSE OFFICE BUILDINGS

The conferees agree to appropriate $59,616,000, of which $20,922,000 would remain available until September 30, 2010, for the maintenance, care and operation of the House office buildings to the Architect of the Capitol. Inasmuch as this item relates solely to the House, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the Senate, at the request of the managers on the part of the House, have receded to the House.

Operating Budget	$38,344,000
Project Budget:	
1. Repairs of Rayburn Garage Fire Doors	50,000
2. Fire Pump Installation, LHOB	120,000
3. Replace Sprinkler Valves and Drains, HOB	180,000
4. Minor Construction	4,960,000
5. Design, Parking Garage, Lot #9	4,000,000
6. Window Replacement, FHOB	3,710,000
7. Fiber Optics Pathway	1,050,000
8. Remodel/Refurbish Gift Shop	175,000
9. Carpet Replacement	502,000
10. House Campus Data Closets Environment Upgrade	100,000
11. Remodel/Refurbish Supply Store	100,000
12. Modification to House Barber Shop	75,000
13. Modification to House Beauty Salon	100,000
14. High Voltage Switchgear Replacement, RHOB	1,050,000
15. High Voltage Switchgear Replacement, FHOB	1,070,000
16. Emergency Lighting Upgrade, LHOB	2,700,000
17. Emergency Lighting Upgrade, FHOB	1,030,000
18. Interior Access Improvements	300,000
Total, House Office Buildings	59,616,000

CAPITOL POWER PLANT

In addition to the $6,600,000 made available from receipts credited as reimbursements to this appropriation, as proposed by the House, instead of $6,500,000 as proposed by the Senate, the conferees agree to appropriate $58,685,000 to the Architect of the Capitol for maintenance, care and operation of the Capitol Power Plant, instead of $58,585,000 as proposed by the House and $58,817,000 as proposed by the Senate. Of this amount, $1,600,000 would remain available until September 30, 2010, instead of $1,592,000 to remain available until September 30, 2008 as proposed by the House.

With respect to operations and project differences the House and Senate conferees have agreed to the following:

Operating Budget (net)	$56,405,000
Project Budget:	
1. Replace Air Compressors with Centrifugal Units	230,000
2. Replace Hotwell with Condensate Receiver	240,000

3. Heavy Equipment—Track Mobile	210,000
4. Design, CPP Beautification	1,000,000
5. Design, Egress Improvements	600,000
Total, Capitol Power Plant (net)	58,685,000

LIBRARY BUILDINGS AND GROUNDS

The conference agreement includes $68,763,000 for structural and mechanical care, Library buildings and grounds, instead of $31,318,000 as proposed by the House and $70,948,000 as proposed by the Senate. Of this amount, $42,500,000 would remain available until September 30, 2010, instead of $6,325,000 to remain available until September 30, 2008 as proposed by the House and $42,950,000 to remain available until September 30, 2010 as proposed by the Senate.

With respect to the construction of the Book Storage Modules, the conferees direct the Architect of the Capitol to engage the services of the Baltimore Corps of Engineers as project managers on this very important project.

With respect to operations and projects the House and Senate conferees have agreed to the following:

Operating Budget	$20,133,000
Project Budget:	
1. Painting of Interior Arches, TJB	240,000
2. Repair Life Safety Deficiencies	390,000
3. Copyright Office Reconfiguration	5,500,000
4. Book Storage Modules, 3 & 4	40,700,000
5. Redesign, Copyright Deposit Facility, Fort Meade	800,000
6. Minor Construction	1,000,000
Total, Library Buildings and Grounds	68,763,000

CAPITOL POLICE BUILDINGS AND GROUNDS

The conference agreement includes $14,902,000 instead of $16,830,000 as proposed by the House and $10,031,000 as proposed by the Senate. Of this amount, $5,000,000, as proposed by the House, would remain available until September 30, 2010.

With respect to operations and projects the conferees have agreed to the following:

Operating Budget	$9,786,000
Project Budget:	
1. HVAC Replacement, Crib	116,000
2. Vehicle Maintenance Facility Purchase	5,000,000
Total, Capitol Police Buildings and Grounds	14,902,000

BOTANIC GARDEN

The conference agreement includes $7,633,000 for salaries and expenses, Botanic Garden, as proposed by the Senate instead of $7,211,000 as proposed by the House.

The conferees direct the Architect to submit an obligation plan to the Committees on Appropriations of the House and Senate prior to obligating funds for improvements to the administration building.

With respect to operations and projects the conferees have agreed to the following:

Operating Budget:	$6,886,000
Project Budget:	
1. Partnership Support	300,000
2. Fire Alarm System Upgrade, Production Facility	187,000
3. Replacement of Delivery Truck	60,000
4. Administration Building Improvements	200,000
Total, Botanic Garden	7,633,000

CAPITOL VISITOR CENTER

The conference agreement includes $44,200,000 for the Capitol Visitor Center as proposed by the Senate instead of $36,900,000 as proposed by the House. Of this amount, $41,900,000 is appropriated on a no-year basis. The conferees direct the Architect of the Capitol to provide to the Committees on Appropriations of the House and Senate for approval a detailed plan on the hiring of all operational staffing by December 31, 2005.

Operating Budget	$2,300,000
Project Budget:	
1. CVC Cost to Complete	41,900,000
Total, Capitol Visitor Center	44,200,000

ADMINISTRATIVE PROVISIONS

The conference agreement includes two administrative provisions related to the operations of the Architect of the Capitol. Section 1201 provides for an additional senior level position for the executive director of the Botanic Garden. Section 1202 provides authority to the Architect to enter into certain lease agreements.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

(INCLUDING RESCISSION OF FUNDS)

The conference agreement includes $395,754,000 for salaries and expenses, Library of Congress instead of $388,144,000 as proposed by the House and $397,285,000 as proposed by the Senate. Of this amount $6,350,000 is made available from receipts collected by the Library of Congress and is to remain available until expended; and $13,972,000 is to remain available until expended for acquisition of books, periodicals, newspapers, and all other library materials as proposed by the House and Senate. The conference agreement provides $600,000 for the Abraham Lincoln Bicentennial Commission, $11,078,000 for partial support of the National Audio-Visual Conservation Center, $5,860,000 for the digital collections and educational curricula program, $250,000 for the Middle Eastern Text Initiative, $300,000 for the Movietone Newsreel Collection at the University of South Carolina, $400,000 for the American Music Archives at the University of Mississippi, $700,000 for facility modernization and a rescission of prior year funds in the amount of $6,858,000. This level funds 2,915 FTEs.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

The conference agreement includes $22,655,000, and an additional $35,946,000 made available from receipts, for salaries and expenses, Copyright Office, as proposed by the House instead of $22,700,000, and an additional $34,622,000 made available from receipts, as proposed by the Senate.

CONGRESSIONAL RESEARCH SERVICE

SALARIES AND EXPENSES

The conference agreement includes $100,916,000 for salaries and expenses, Congressional Research Service, Library of Congress, instead of $99,952,000 as proposed by the House and $101,755,000 as proposed by the Senate.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

The conference agreement includes $54,449,000, instead of $54,049,000 as proposed by the House and $64,172,000 as proposed by the Senate. Of this amount $16,231,000 is to remain available until expended instead of $15,831,000 as proposed by the House and $25,667,000 as proposed by the Senate. The conferees have provided $400,000 for reimbursement to the National Federation of the Blind for costs incurred in the operation of its ''NEWSLINE'' program.

ADMINISTRATIVE PROVISIONS

The conferees have agreed to include administrative provisions related to the incentive awards program, reimbursable and revolving fund activities, and funding limitations for the United States diplomatic facilities (Section 1304). In addition, the conferees have included a new administrative provision, Section 1303, related to the National Digital Information Infrastructure and Preservation Program. Section 1305 relates to assistance provided by the Congressional Research Service, Section 1306 authorizes the Library of Congress Digital Collections and Educational Curricula Program, and Section 1307 authorizes a statutory Inspector General for the Library of Congress.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $88,090,000 as proposed by the Senate instead of $82,690,000 as proposed by the House.

OFFICE OF THE SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $33,337,000 as proposed by the House instead of $33,837,000 as proposed by the Senate.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The conference agreement includes $2,000,000 for workforce retraining instead of $1,200,000 as proposed by the House and $5,000,000 as proposed by the Senate.

GOVERNMENT ACCOUNTABILITY OFFICE

SALARIES AND EXPENSES

The conference agreement includes $489,560,000, of which $7,165,000 is from offsetting collections, for salaries and expenses, Government Accountability Office as proposed by the House instead of $491,548,000 as proposed by the Senate.

The conferees remind the GAO that the core function of GAO is to provide quantified, authoritative reports to Congress on issues and questions that Members and the Standing Committees have identified as of interest and importance. It is important that this work be done in a manner that supports the legislative process by being timely and specific to the issues identified. Any activity beyond the core function and beyond GAO's core responsibility to Congress must have exceptional justification to merit pursuit.

OPEN WORLD LEADERSHIP CENTER TRUST FUND

The conference agreement includes $14,000,000 for payment to the Open World Leadership Center Trust Fund as proposed by the House and Senate.

JOHN C. STENNIS CENTER FOR PUBLIC SERVICE TRAINING AND DEVELOPMENT

The conference agreement includes $430,000 as proposed by the Senate. The House did not propose an amount for this program.

TITLE II—GENERAL PROVISIONS

In Title II, General Provisions the conferees have agreed to delete language proposed by both bodies relative to compensation limitation.

TITLE III

CONTINUITY IN REPRESENTATION

The conferees have agreed to include language relating to continuity in representation.

Amendment numbered 2: Deletes the matter stricken and deletes the matter inserted and deletes certain House matter not stricken by the Senate. The disposition of this amendment is purely technical so that the entire text of the conference agreement could be included in amendment numbered 1. The description of the resolution of the differences in this amendment can be found in the joint statement of the managers under amendment 1.

Amendment numbered 3: Deletes the matter stricken and deletes the matter inserted and deletes certain House matter not stricken by the Senate. The disposition of this amendment is purely technical so that the entire text of the conference agreement could be included in amendment numbered 1. The description of the resolution of the differences in this amendment can be found in the joint statement of the managers under amendment 1.

Amendment numbered 4: Deletes the matter stricken and deletes the matter inserted and deletes certain House matter not stricken by the Senate. The disposition of this amendment is purely technical so that the entire text of the conference agreement could be included in amendment numbered 1. The description of the resolution of the differences in this amendment can be found in the joint statement of the managers under amendment 1.

Amendment numbered 5: The House receeds to the Senate. The disposition of this amendment is purely technical so that the entire text of the conference agreement could be included in amendment numbered 1. The description of the resolution of the differences in this amendment can be found in the joint statement of the managers under amendment 1.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 2006 recommended by the Committee of Conference, with comparisons to the fiscal year 2005 amount, the 2006 budget estimates, and the House and Senate bills for 2006 follows:

[In thousands of dollars]

New budget (obligational) authority, fiscal year 2005	$3,639,892
Budget estimates of new (obligational) authority, fiscal year 2006	4,028,477
House bill, fiscal year 2006	2,864,418
Senate bill, fiscal year 2006	3,833,765
Conference agreement, fiscal year 2006	3,803,500
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 2005	+163,608
Budget estimates of new (obligational) authority, fiscal year 2006	−224,977
House bill, fiscal year 2006	+939,082
Senate bill, fiscal year 2006	−30,265

JERRY LEWIS,
JACK KINGSTON,
KAY GRANGER,
JOHN T. DOOLITTLE,
RAY LAHOOD,
STENY H. HOYER,
JAMES P. MORAN,
Managers on the Part of the House.

WAYNE ALLARD,
THAD COCHRAN,
MIKE DEWINE,
TED STEVENS,
RICHARD DURBIN,
TIM JOHNSON,
ROBERT C. BYRD
(except Title III),
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CRAMER (at the request of Ms. PELOSI) for today on account of a death in the family.

Mr. GIBBONS (at the request of Mr. DELAY) for today and July 25 on account of attending to business in his district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BROWN of Ohio) to revise and extend their remarks and include extraneous material:)

Ms. PELOSI, for 5 minutes, today.
Mr. DEFAZIO, for 5 minutes, today.
Mr. WYNN, for 5 minutes, today.
Mr. CUMMINGS, for 5 minutes, today.
Ms. WOOLSEY, for 5 minutes, today.
Mr. BROWN of Ohio, for 5 minutes, today.
Mr. LEVIN, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Mr. EMANUEL, for 5 minutes, today.
Mr. FARR, for 5 minutes, today.
Mr. GENE GREEN of Texas, for 5 minutes, today.
Mr. CASE, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. HAYWORTH, for 5 minutes, July 27.
Mr. HENSARLING, for 5 minutes, today.
Mr. PAUL, for 5 minutes, July 27, 28, and 29.
Mr. SAXTON, for 5 minutes, today.
Mr. BRADY of Texas, for 5 minutes, today.
Mr. SHAW, for 5 minutes, today.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on July 21, 2005 he presented to the President of the United States, for his approval, the following bills.

H.R. 3377. To provide an extension of highway, highway safety, motor carrier safety, transit, and other programs funded out of the Highway Trust Fund pending enactment of a law reauthorizing the Transportation Equity Act for the 21st Century.

Jeff Trandahl, Clerk of the House reports that on July 22, 2005 he presented to the President of the United States, for his approval, the following bills.

H.J. Res. 52. Approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003.

ADJOURNMENT

Mrs. MALONEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 46 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 27, 2005, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for speaker-authorized official travel during the fourth quarter 2003, second and third quarter 2004, first and second quarter of 2005, pursuant to Public Law 95–384 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MS. MARGARET PETERLIN, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 14 AND APR. 19, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Margaret Peterlin	4/14	4/15	Honduras		213.00						213.00
	4/15	4/17	Nicaragua		904.00						904.00
	4/17	4/19	Jamaica		1,040.00						1,040.00
Committee total											1,185.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MARGARET PETERLIN.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. JOHN SCHELBLE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 15 AND MAY 16, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
John Schelble	5/15	5/16	Haiti		328.00		1,197.15		176.54		1,701.69
Committee total											

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN SCHELBLE, June 20, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, REV. DANIEL COUGHLIN, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 27 AND JUNE 2, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Rev. Daniel P. Coughlin	5/27	5/29	Norway		422.00						422.00
	5/29	5/31	Finland		710.00						710.00
	5/31	6/2	Russia		872.00						872.00
Committee total					2,004.00						2,004.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Rev. DANIEL P. COUGHLIN, June 21, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. ROBERT LAWRENCE AND MR. WILLIAM HARRIS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 29 AND JUNE 4, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Robert Lawrence	5/29	6/4	Georgia		1,770.00		8,306.94				10,076.94
William Harris	5/29	6/4	Georgia		1,770.00		8,306.94				10,076.94
Committee total					3,540.00		1,6613.88				20,153.88

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

J. DENNIS HASTERT, Chairman, June 8, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, MR. BRIAN DIFFELL, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 30 AND JUNE 1, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Brian Diffell	5/30	6/1	Venezuela		466.00		2,763.66				3,229.66
Committee total					466.00		2,763.66				3,229.66

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROY BLUNT, Chairman, May 1, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NATO PARLIAMENTARY ASSEMBLY MEETING IN LJUBLJANA, SLOVENIA; AND NATO PARLIAMENTARY ASSEMBLY DELEGATION MEETINGS IN BERLIN, GERMANY AND RAMSTEIN AFB, GERMANY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 27 AND JUNE 5, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Joel Hefley	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. Ralph Regula	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/2	Germany		475.50		(3)				2,870.50
Hon. John Tanner	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. Paul Gillmor	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. Jo Ann Emerson	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. John Shimkus	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. Dennis Moore	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. John Boozman	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. Mike Ross	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. Ben Chandler	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Melissa Adamson	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Andrew Beck	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Kathy Becker	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Paul Gallis	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Kay King	5/27	6/1	Slovenia		2,395.00		(3)				

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO THE NATO PARLIAMENTARY ASSEMBLY MEETING IN LJUBLJANA, SLOVENIA; AND NATO PARLIAMENTARY ASSEMBLY DELEGATION MEETINGS IN BERLIN, GERMANY AND RAMSTEIN AFB, GERMANY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 27 AND JUNE 5, 2005—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Susan Olson	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Marilyn Owen	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Hon. Patrick Prisco	5/27	6/1	Slovenia		2,395.00		(3)				
	6/1	6/5	Germany		1,690.50		(3)				4,085.50
Delegation Expenses:											
Representational Functions									9,450.65		9,450.65
Committee total					72,324.00				9,450.65		81,774.65

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

JOEL HEFLEY, Chairman, June 28, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON HOUSE ADMINISTRATION, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]

HOUSE COMMITTEES
Please Note: If there were no expenditures during the calendar quarter noted above, please check the box at right to so indicated and return. ☒

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT W. NEY, Chairman, July 7, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]

HOUSE COMMITTEES
Please Note: If there were no expenditures during the calendar quarter noted above, please check the box at right to so indicated and return. ☒

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DONALD A. MANZULLO, Chairman, July 12, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Judy Biggert	3/3	4/2	France		887.09		[4] 3,770.44				4,657.53
	4/2	4/5	Amsterdam		1,905.02		(3)				1,905.02
	4/5	4/5	U.K.				(3)				
	4/7	4/12	Jordan		1,180.00		(3)				1,180.00
Hon. Jim Costa	5/29	5/30	Kyrgyzstan		239.00		[4] 6,272.88				6,511.88
	5/30	5/31	Uzbekistan				(3)				
	5/31	6/1	Afghanistan		90.00		(3)				90.00
	6/1	6/4	Pakistan		877.00		(3)				877.00
	6/4	6/5	U.K.				[4] 1,736.99				1,736.99
Hon. Lincoln Davis	5/29	5/30	Kyrgyzstan		239.00		[4] 6,272.88				6,511.88
	5/30	5/31	Uzberistan				(3)				
	5/31	6/1	Afghanistan		90.00		(3)				90.00
	6/1	6/4	Pakistan		877.00		(3)				877.00
	6/4	6/4	U.K.				[4] 1,736.99				1,736.99
Hon. Mike Sodrel	5/29	5/30	Kyrgyzstan		239.00		[4] 6,272.88				6,511.88
	5/30	5/31	Uzbekistan				(3)				
	5/31	6/1	Afghanistan		90.00		(3)				90.00
	6/1	6/4	Pakistan		877.00		(3)				877.00
	6/4	6/4	U.K.				[4] 1,736.99				1,736.99
Amy Chiang	4/3	4/11	China		2,009.00		[4] 8,192.10				10,201.10
	6/8	6/16	China		2,284.00		[4] 5,731.06				8,015.06
Hon. Shelia Jackson-Lee	6/25	6/25	Cuba, Guantanamo Bay				(3)				
Committee total					11,883.11		41,723.21				53,606.32

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Commercial air transportation.

———July 8, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND WORKFORCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. John Carter [3] [4]	1/11	1/18	Iraq and Afghanistan		762.00		337.93		4,222.84		5,322.77
Hon. Tom Osborne [4]	4/7	4/12	Jordan, Iraq and Germany		762.00		532.95		6,120.74		7,145.69

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND WORKFORCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2005—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Kenny Marchant	4/22	4/26	Costa Rica and Colombia		1,006.00				36,837.38		37,843.38
Committee total					2.530.00		870.80		47,180.96		50,581.76

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Expenses not previously reported.
[4] Transportation and other purposes expenses are cumulative for entire CODEL.

JOHN A. BOEHNER, Chairman, July 11, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, JOINT COMMITTEE ON TAXATION, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]

HOUSE COMMITTEES
Please Note: If there were no expenditures during the calendar quarter noted above, please check the box at right to so indicate and return. ☒

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM A. THOMAS, Chairman, July 13, 2005.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, JOINT COMMITTEE ON THE LIBRARY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]

HOUSE COMMITTEES
Please Note: If there were no expenditures during the calendar quarter noted above, please check the box at right to so indicate and return. ☒

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT W. NEY, Chairman, July 7, 2005.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Lara Alameh	1/11	1/16	Israel		1,445.00						1,445.00
Douglas Anderson	1/6	1/7	China		313.00						313.00
	1/7	1/9	Indonesia		290.00						290.00
	1/9	1/10	Thailand		232.00						232.00
	1/10	1/12	Sri Lanka		412.00						412.00
	1/12	1/15	India		885.00						885.00
	1/6	1/15					[4] 10,258.91				10,258.91
Renee Austell	1/26	1/28	Poland		502.00		6,286.66				6,788.86
Hon. Shelley Berkley	1/26	1/28	Poland		502.00		7,591.66				8,093.66
	3/11	3/13	Spain		965.00		5,906.25				6,871.25
Hon. Howard Berman	2/11	2/13	Germany		370.00		(3)				370.00
Hon. Earl Blumenauer	1/6	1/7	China		313.00						313.00
	1/7	1/9	Indonesia		290.00						290.00
	1/9	1/10	Thailand		232.00						232.00
	1/10	1/12	Sri Lanka		412.00						412.00
	1/12	1/14	India		590.00						590.00
	1/6	1/14					[4] 7,691.29				7,691.29
Ted Brennan	1/10	1/13	Colombia		525.00						525.00
	1/13	1/16	Panama		558.00						558.00
	1/16	1/18	Honduras		496.00						496.00
	1/10	1/18					[4] 2,798.62				2,798.62
Hon. Dan Burton	2/11	2/15	Costa Rica		900.00		1,687.85		343.00		2,930.85
Hon. Steve Chabot	1/12	1/15	Egypt		867.00		6,428.76				7,295.76
Malik Chaka	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
Joan Condon	3/26	3/30	Libya		1,002.00		7,554.85				8,556.85
Frank Cotter	3/18	3/20	Mexico		576.00						576.00
	3/20	3/23	Panama		708.00		(3)				708.00
Ninfa DeLuna	3/17	3/20	Mexico		864.00						864.00
	3/20	3/23	Panama		708.00		1,187.11				1,895.11
Hon. Eliot Engel	1/10	1/11	Russia		266.00						266.00
	1/11	1/14	North Korea		118.75						118.75
	1/14	1/15	South Korea		351.00						351.00
	1/15	1/16	China		291.00						291.00
	1/16	1/17	Hong Kong (Indonesia)		411.00						411.00
	1/17	1/18	Japan		408.00		(3)				408.00
Hon. Eni Faleomavaega	1/6	1/10	India		1,583.00				670.13		2,253.13
	1/10	1/13	Sri Lanka		618.00						618.00
	1/6	1/13					[4] 6,901.09				6,901.09
	2/9	2/14	Tahiti				5,813.10				5,813.10
	3/18	3/20	Mexioco		576.00						576.00
	3/20	3/23	Panama		708.00		(3)				708.00
	3/30	4/1	New Zealand		1,261.80		1,341.50				2,603.30
James Farr	3/17	3/20	Mexico		864.00						864.00
	3/20	3/23	Panama		708.00		1,808.19				2,516.19
David Fite	1/14	1/16	Pakistan		789.00						789.00
	1/16	1/17	Afghanistan		90.00						90.00
	1/14	1/17					[4] 8,425,86				8,425,86
Hon. Jeff Flake	1/7	1/9	Indonesia		290.00						290.00
	1/9	1/10	Thailand		232.00						232.00

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 2005—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	1/10	1/11	Sri Lanka		412.00						412.00
	1/7	1/11					[4] 4,428.30				4,428.30
Hon. Jeff Fortenberry	3/4	3/7	Jordan		550.00		887.35				1,437.35
Kirsti Garlock	2/21	2/23	Turkey		390.00						390.00
	2/23	2/25	Italy		850.00						850
	2/21	2/25					[4] 5,657.29				5,657.29
Dennis Halpin	3/23	3/27	South Korea		1,204.00						1,204.00
	3/27	3/29	Japan		656.00						656.00
	3/23	3/29					[4] 9,278.42				9,278.42
Hon. Henry Hyde	3/18	3/20	Mexico		576.00				33,000.00		33,576.00
	3/20	3/23	Panama		708.00		(3)		5,035.00		5,743.99
Hon. Darrell Issa	3/12	3/12	Japan				(3)				
Jonathan Katz	1/11	1/15	Egypt		2,312.00		5,415.84				7,727.84
	2/23	2/25	Ukraine		614.00		5,933.49				6,547.49
Kay King	3/25	3/26	Holland		309.00						309.00
	3/26	3/30	Libya		1,002.00						1,002.00
	3/25	3/30					[4] 7,577.47				7,577.47
Robert King	1/7	1/8	China		291.00						291.00
	1/8	1/11	North Korea		963.00						963.00
	1/11	1/13	China		582.00						582.00
	1/7	1/13					[4] 5,551.06				5,551.06
	3/25	3/26	Holland		309.00						309.00
	3/26	3/30	Libya		1,002.00						1,002.00
	3/25	3/30					[4] 7,577.47				7,577.47
Sheila Klein	3/18	3/20	Mexico		576.00						576.00
	3/20	3/23	Panama		708.00		(3)				708.00
Hon. Thomas Lantos	1/7	1/8	China		291.00						291.00
	1/8	1/11	North Korea		963.00						963.00
	1/11	1/13	China		582.00						582.00
	1/13	1/15	Hong Kong		822.00						822.00
	1/15	1/18	Taiwan		1,005.00						1,005.00
	1/7	1/18					[4] 6,486.54				6,486.54
	3/25	3/26	Holland		381.00						381.00
	3/26	3/29	Libya		1,002.00						1,002.00
	3/25	3/29					[4] 8,232.88				8,232.88
Hon. James Leach	1/6	1/7	China		313.00						313.00
	1/7	1/9	Indonesia		290.00				[5] 8,971.51		9,261.51
	1/9	1/10	Thailand		232.00				[5] 8,355.52		8,587.52
	1/10	1/12	Sri Lanka		412.00						412.00
	1/12	1/13	India		590.00						590.00
	1/13	1/16	Egypt		578.00						578.00
	1/16	1/18					[4] 7,691.29				7,691.29
Hon. Barbara Lee	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
Caleb McCarry	1/10	1/13	Colombia		675.00						675.00
	1/13	1/16	Panama		708.00						708.00
	1/16	1/18	Honduras		396.00						396.00
	1/10	1/18					[4] 2,798.65				2,798.65
	3/17	3/20	Mexico		864.00						864.00
	3/20	3/23	Panama		708.00		1,278.32				1,986.32
Hon. Betty McCollum	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
	2/25	3/1	Italy		520.00		6,163.07		[5] 355.20		7,038.20
	3/18	3/20	Mexico		576.00						576.00
	3/20	3/23	Panama		633.00		(3)				633.00
James McCormick	1/6	1/7	China		313.00						313.00
	1/7	1/9	Indonesia		240.00						240.00
	1/9	1/10	Thailand		232.00						232.00
	1/10	1/12	Sri Lanka		362.00						362.00
	1/12	1/13	India		590.00						590.00
	1/13	1/16	Egypt		478.00						478.00
	1/6	1/18					[4] 7,691.29				7,691.29
Hon. Thaddeus McCotter	1/26	1/28	Poland		502.00		6,441.74		[5] 1,252.00		8,195.74
	3/13	3/11	Spain		965.00		5,096.25		[5] 3,312.90		9,374.15
Matthew McLean	1/3	1/5	Botswana		290.00						290.00
	1/5	1/9	South Africa		772.00						772.00
	1/9	1/11	Madagascar		343.00						343.00
	1/11	1/14	Mozambique		576.00						576.00
	1/3	1/14					[4] 10,270.67				10,270.67
	2/20	2/23	Indonesia		648.00						648.00
	2/23	2/26	Sri Lanka		652.00						652.00
	2/20	2/26					[4] 11,169.95				11,169.95
John Mackey	1/10	1/12	Turkey		552.00						552.00
	1/12	1/15	Pakistan		1,052.00						1,052.00
	1/16	1/17	Afghanistan		90.00						90.00
	1/10	1/17					[4] 8,849.72				8,849.72
	2/21	2/26	Colombia		1,125.00		1,752.15				2,877.15
Alan Makovsky	1/11	1/15	Egypt		2,312.00		5,415.84				7.727.84
	3/25	3/26	Holland		381.00						381.00
	3/26	3/30	Libya		1,002.00						1,002.00
	3/25	3/30					[4] 7,577.47				7,577.47
Pearl Alice Marsh	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
Richard Mereu	3/11	3/13	Spain		945.50		3,533.50				4,479.00
	3/21	3/23	Belgium		648.50		5,908.13				6,556.63
Thomas Mooney	3/18	3/20	Mexico		576.00						576.00
	3/20	3/23	Panama		708.00		1,792.61				2,500.61
Paul Oostburg-Sanz	1/5	1/8	El Salvador		475.00						475.00
	1/8	1/11	Madagascar		334.00						334.00
	1/11	1/14	Mozambique		551.00						551.00
	1/5	1/14					[4] 14,499.46				14,499.46
	3/18	3/20	Mexico		526.00						526.00
	3/20	3/23	Panama		437.00		(3)				437.00
Hon. Donald Payne	1/8	1/9	Kenya		0.0		9,588.01				9,588.01
Hon. Ted Poe	1/29	2/1	Jordan		762.00		6,353.77				7,115.77
Amy Porter	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
Patrick Prisco	2/18	2/21	Belgium		1,185.00						1,185.00
	2/21	2/23	France		924.00						924.00
	2/23	2/25	Austria		596.00						596.00
	2/18	2/25					[4] 3,284.25				3,284.25
John Walker Roberts	3/19	3/23	Belgium		1,035.00		6,496.13				7,531.13
Rotem Roizman	2/22	2/23	Turkey		226.00						226.00
	2/23	2/25	Italy		566.00						566.00
	2/22	2/25					[4] 5,657.29				5,657.29

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 2005—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Edward Royce	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
Susan Schiesser	3/17	3/20	Mexico		864.00						864.00
	3/20	3/23	Panama		708.00		1,187.11				1,895.11
Douglas Seay	3/18	3/20	Mexico		576.00						576.00
	3/20	3/23	Panama		708.00		(3)				708.00
Thomas Sheehy	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
Hon. Christopher Smith	1/8	1/9	Indonesia		121.00						121.00
	1/9	1/10	Thailand		232.00						232.00
	1/10	1/13	Sri Lanka		412.00						412.00
	1/8	1/13					[4] 10,369.89				10,369.89
Sam Stratman	1/14	1/15	Thailand		232.00		5,770.05				6,002.05
	3/17	3/20	Mexico		864.00						864.00
	3/20	3/23	Panama		708.00		1,744.32				2,452.32
Sarah Tillemann	1/7	1/8	China		291.00						291.00
	1/8	1/11	North Korea		963.00						963.00
	1/7	1/11					1,796.87				1,796.87
Mark Walker	3/17	3/20	Mexico		814.00						814.00
	3/20	3/23	Panama		658.00		1,682.32				2,340.32
Hon. Diane Watson	1/8	1/10	Thailand		463.99						463.99
	1/10	1/12	Sri Lanka		412.00						412.00
	1/12	1/13	India		590.00						590.00
	1/8	1/13					[4] 6,339.83				6,339.83
	1/22	1/24	Chad		590.00						590.00
	1/24	1/25	Algeria		272.00		(3)				272.00
Lynne Weil	1/7	1/8	China		291.00						291.00
	1/8	1/11	North Korea		963.00						963.00
	1/11	1/13	China		582.00						582.00
	1/13	1/15	Hong Kong		822.00						822.00
	1/15	1/18	Taiwan		1,005.00						1,005.00
	1/7	1/18					[4] 7,342.87				7,342.87
Hillel Weinberg	3/20	3/23	Belgium		1,184.00						1,184.00
	3/23	3/25	United Kingdom		755.00						755.00
	3/25	3/30	Egypt		1,145.00						1,145.00
	3/20	3/30					[4] 7,889.45				7,889.45
Hon. Gerald Weller	1/10	1/13	Colombia		318.00						318.00
	1/13	1/16	Panama		708.00						708.00
	1/16	1/18	Honduras		496.00						496.00
	1/10	1/18					[4] 2,879.65				2,879.65
Hon. Robert Wexler	1/11	1/13	Egypt		578.00		5,415.84				5,993.84
	2/23	2/25	Ukraine		614.00		5,933.49		[5] 475.00		7,022.59
Lisa Williams	1/16	1/13	India		2,073.00		5,887.07				7,960.07
Judy Wolverton	3/18	3/20	Mexico		576.00						576.00
	3/20	3/23	Panama		708.00		(3)				708.00
Peter Yeo	1/7	1/8	China		291.00						291.00
	1/8	1/11	North Korea		963.00						963.00
	1/11	1/13	China		582.00						582.00
	1/13	1/15	Hong Kong		822.00						822.00
	1/15	1/17	Taiwan		335.00						335.00
	1/7	1/17					[4] 6,646.79				6,646.70
Committee total					107,373.54		358,902.92		61,771.35		528,047.81

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Roundtrip airfare
[5] Cost of entire delegation.

HENRY J. HYDE, Chairman.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2004

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Douglas Anderson	5/18	5/21	Taiwan		923.00						923.00
	5/21	5/22	Philippines		244.00						244.00
	5/22	5/24	Malaysia		358.00						358.00
	5/24	5/26	Indonesia		169.00						169.00
	5/26	5/27	Singapore		261.00						261.00
	5/18	5/27					[4] 6,216.42				6,216.42
Renee Austell	4/4	4/8	Switzerland		1,801.15		5,743.12				7,544.27
	5/24	5/28	France		1,768.00		5,968.30				7,736.30
Hon. Cass Ballenger	4/12	4/13	Honduras		137.00						137.00
	4/13	4/14	El Salvador		23.00						23.00
	4/14	4/16	Nicaragua		182.00						182.00
	4/12	4/16					[4] 2,670.00				2,670.00
Hon. Howard Berman	6/18	6/22	Israel		1,349.00						1,349.00
	6/22	6/25	Egypt		651.00						651.00
	6/18	6/22					[4] 6,167.00				6,167.00
Patrick Brennan	4/12	4/13	Honduras		137.00						137.00
	4/13	4/14	El Salvador		78.00						78.00
	4/14	4/16	Nicaragua		447.75						447.75
	4/12	4/16					[4] 2,006.50				2,006.50
	6/10	6/12	Dominican Republic		341.00		1,500.00				1,841.00
Hon. Steve Chabot	5/26	5/28	Taiwan		394.39		4,200.43				4,594.82
Malik Chaka	4/4	4/9	Tanzania		1,130.00				[5] 139.19		1,269.19
	4/9	4/13	Malawi		276.00						276.00
	4/13	4/17	Botswana		693.00						693.00
	4/4	4/17					[4] 10,649.43				10,649.43
Joan Condon	5/23	5/23	United Kingdom		135.00						135.00
	5/24	5/25	Uganda		188.60						188.60
	5/25	5/26	Sudan		216.80						216.80
	5/26	5/31	Uganda		809.60						809.60
	5/23	5/31					[4] 7,902.28				7,902.28
Hon. Joseph Crowley	4/3	4/6	Ireland		1,377.00		(3)				1,377.00
Hon. Jo Ann Davis	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/9	Hungary		762.00		(3)				762.00

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 2004—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Jim Farr	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/9	Hungary		762.00		(3)				762.00
Daniel Freeman	4/6	4/12	Thailand		1,092.00		5,885.50		* * * 234.22		7,211.72
Kirsti Garlock	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/9	Hungary		762.00		(3)				762.00
Dennis Halpin	4/4	4/8	Switzerland		1,416.00		5,743.12				7,159.12
Hon. Henry Hyde	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/9	Hungary		762.00		(3)				762.00
Jonathan Katz	4/28	4/29	Germany		331.30		6,493.28				6,824.58
	5/24	5/31	France		2,598.96		5,964.30				8,563.26
	6/9	6/11	Turkey		634.00		6,234.94				6,868.94
David Killion	4/4	4/9	Switzerland		1,770.00		5,762.96				7,532.96
	5/21	5/24	Jordan		564.00		564.00				564.00
	5/24	5/27	United Kingdom		1,371.00						1,371.00
	5/21	5/27					[4] 6,387.76				6,387.76
Kay King	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/12	Hungary		1,524.00		(3)				1,524.00
	4/12	4/15	Russia		537.00						537.00
	4/15	4/17	Czech Republic		303.00						303.00
	4/12	4/17					[4] 5,201.48				5,201.48
Robert King	4/3	4/6	Ireland		413.00						413.00
	4/6	4/12	Hungary		1,524.00		(3)				1,524.00
	4/12	4/15	Russia		1,092.00						1,092.00
	4/15	4/17	Czech Republic		636.00						636.00
	4/12	4/17					[4] 5,201.48				5,201.48
	5/22	5/25	Israel		1,086.00						1,086.00
	5/25	5/28	Latvia		783.00						783.00
	5/21	5/28					[4] 7,591.20				7,591.20
Sheila Klein	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/9	Hungary		762.00		(3)				762.00
Hon. Thomas Lantos	4/3	4/6	Hungary		1,377.00						1,377.00
	4/12	4/15	Russia		1,092.00						1,092.00
	4/15	4/16	Hungary		254.00						254.00
	4/3	4/16					[4] 5,830.04				5,830.04
	5/22	5/25	Israel		1,086.00						1,086.00
	5/25	5/28	Latvia		783.00						783.00
	5/22	5/28					(4) 8,294.67				8,294.67
Hon. James Leach	5/21	5/22	Philippines		194.00						194.00
	5/22	5/24	Malaysia		258.00						258.00
	5/24	5/26	Indonesia		168.00						168.00
	5/26	5/27	Singapore		261.00						261.00
	5/21	5/27					[4] 4,415.72				4,415.72
Jessica Lewis	6/10	6/12	Dominican Republic		326.00		1,500.40				1,826.40
James McCormick	5/18	5/21	Taiwan		905.00						905.00
	5/21	5/22	Philippines		194.00						194.00
	5/22	5/24	Malaysia		258.00						258.00
	5/24	5/26	Indonesia		168.00						168.00
	5/26	5/27	Singapore		261.00						261.00
	5/18	5/27					[4] 6,216.42				6,216.42
Hon. Thaddeus McCotter	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/9	Hungary		762.00		(3)				762.00
Caleb McCarry	5/7	5/9	El Salvador		219.00		(3)				219.00
John Mackey	3/30	4/7	Ireland		3,345.00		5,093.54				8,438.54
	5/23	5/29	Colombia		1,575.00		1,700.50				3,275.50
Alan Makovsky	5/21	5/26	Israel		1,086.00						1,086.00
	5/26	5/28	Cyprus		927.00						927.00
	5/21	5/28					[4] 5,391.43				5,391.43
	6/11	6/13	United Kingdom		400.00		7,216.26				7,616.26
	5/21	5/28					[4] 8,877.60				8,877.60
Hillel Weinberg	4/3	4/6	Ireland		1,227.00						1,227.00
	4/6	4/9	Hungary		612.00		(3)				612.00
	4/9	4/13	Saudi Arabia		414.00						414.00
	4/13	4/17	Israel		1,710.00						1,710.00
	4/18	4/20	United Kingdom		914.00						914.00
	4/9	4/20					[4] 6,603.31				6,603.31
Hon. Gerald Weller	5/7	5/9	El Salvador		269.00		(3)				269.00
Hon. Robert Wexler	4/28	4/29	Germany		331.30		6,493.28				6,824.58
	5/24	5/31	France		2,598.96		5,964.30				8,563.26
	6/9	6/11	Turkey		634.00		6,234.94				6,868.94
Judy Wolverton	4/3	4/6	Ireland		1,377.00						1,377.00
	4/6	4/9	Hungary		762.00		(3)				762.00
Committee total						104,913.81		234,578.58		373.41	339,865.80

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Roundtrip airfare.
[5] Cost of entire Delegation.

HENRY J. HYDE, Chairman.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2004

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Douglas Anderson	8/12	8/24	Indonesia		1,980.90		6,904.50				8,885.40
Renee Austell	8/11	8/17	Chad		1,650.00		6,753.04				8,403.04
	9/19	9/21	Russia		1,100.00						1,100.00
	9/21	9/22	United Kingdom		457.00						457.00
	9/19	9/22					[4] 7,075.93				7,075.93
Hon. Cass Ballenger	8/3	8/4	Venezuela		150.00		(3)				150.00
Patrick Brennan	7/18	7/19	Canada		259.00		1,052.00				1,311.00
	8/1	8/4	Venezuela		549.00		2,616.54				3,165.54
	8/14	8/16	Venezuela		416.00						416.00
	8/16	8/17	Ecuador		238.00						238.00
	8/17	8/19	Bolivia		312.00						312.00
	8/19	8/22	Peru		539.00		(3)				539.00
Candace Bryan	6/26	6/30	South Korea		980.00						980.00

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2004—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	6/30	7/3	Hong Kong		961.00						961.00
	6/26	7/3					[4] 7,240.45				7,240.45
Jean Carroll	8/14	8/16	Venezuela		491.00						491.00
	8/16	8/17	Ecuador		213.00						213.00
	8/17	8/19	Bolivia		287.00						287.00
	8/19	8/22	Peru		694.00		(3)				694.00
Malik Chaka	6/26	6/30	DRC		1,132.00						1,132.00
	6/30	7/5	Tanzania		1,415.00						1,415.00
	6/26	7/5					[4] 8,600.59				8,600.59
	8/10	8/15	Togo		786.00						786.00
	8/15	8/20	Benin		703.00						703.00
	8/20	8/23	Niger		763.00						763.00
	8/10	8/23					[4] 6,544.12				6,544.12
Joan Condon	6/29	7/5	Zimbabwe		942.00		8,907.84				9,849.84
	8/11	8/18	Chad		1,350.00		6,753.04				8,103.04
Ted Dagne	7/31	8/2	Kenya		590.00						590.00
	8/2	8/4	Ethiopia		708.00						708.00
	8/4	8/6	Chad		552.00						522.00
	8/6	8/8	Ethiopia		202.00						202.00
	8/8	8/10	Djibouti		566.00						566.00
	8/10	8/11	Eritrea		430.00						430.00
	7/31	8/11					[4] 11,024.85				11,024.85
Hon. Eni Faleomavaega	7/10	7/12	French Polynesia		571.00						571.00
	7/12	7/13	Samoa, Apia		129.00						129.00
	7/12	7/13					[4] 4,240.21				4,240.21
	8/9	8/11	Western Samoa		267.21		62.68				329.89
Kristen Gilley	6/26	6/30	South Korea		1,080.00						1,080.00
	6/30	7/3	Hong Kong		987.00						987.00
	6/26	7/3					[4] 7,449.55				7,449.55
Dennis Halpin	6/26	6/30	South Korea		1,062.00						1,062.00
	6/30	7/3	Hong Kong		866.00						866.00
	6/26	7/3					[4] 7,240.45				7,240.45
	8/3	8/12	India		1,532.00						1,532.00
	8/9	8/10	Nepal		188.00						188.00
	8/3	8/12					[4] 7,652.10				7,652.10
Hans Hogrefe	8/12	8/20	Indonesia		1,270.00		7,521.81				8,791.81
Rep. Amo Houghton	9/16	9/19	Jordan		635.00						635.00
	9/19	9/20	Germany		44.00		(3)				44.00
Jonathan Katz	6/30	7/4	Israel		1,448.00		5,963.34				7,411.34
David Killion	6/26	6/28	Italy		420.00						420.00
	6/28	7/1	UAE		1,045.00						1,045.00
	6/26	7/1					[4] 9,631.72				9,631.72
	7/24	7/27	Jordan		564.00						564.00
	7/27	8/2	Turkey		1,438.00						1,438.00
	7/24	8/2					[4] 5,706.47				5,706.47
	8/13	8/16	Libya		1,038.00						1,038.00
	8/16	8/17	Egypt		217.00						217.00
	8/17	8/19	Syria		536.00						536.00
	8/19	8/25	Israel		2,184.00						2,184.00
	8/13	8/25					[4] 5,856.58				5,856.58
Young Kim	6/26	6/30	South Korea		1,080.00						1,080.00
	6/30	7/3	Hong Kong		987.00						987.00
	6/26	7/3					[4] 6,110.45				6,110.45
Hon. Thomas Lantos	8/13	8/16	Libya		1,038.00						1,038.00
	8/16	8/17	Egypt		217.00						217.00
	8/17	8/19	Syria		536.00						536.00
	8/19	8/22	Israel		728.00						728.00
	8/13	8/22					[4] 5,830.00				5,830.00
Jessica Lewis	8/12	8/4	Venezuela		680.00		2,494.54				3,174.54
Noelle LuSane	7/10	7/12	Netherlands		327.00		6,296.61				6,623.61
	7/31	8/2	Kenya		295.00						295.00
	8/2	8/4	Ethiopia		708.00						708.00
	8/4	8/6	Chad		552.00						552.00
	8/6	8/8	Ethiopia		202.00						202.00
	7/31	8/8					[4] 10,996.28				10,996.28
	9/16	9/19	Jordan		714.00						714.00
	9/19	9/20	Germany		154.00		(3)				154.00
John Mackey	8/25	9/2	Colombia		1,800.00		1,710.50				3,510.50
Alan Makovksy	7/24	7/27	Jordan		564.00						564.00
	7/27	8/2	Turkey		1,479.00						1,479.00
	7/24	8/2					[4] 6,136.40				6,136.40
	8/13	8/16	Libya		1,038.00						1,038.00
	8/16	8/17	Egypt		217.00						217.00
	8/17	8/19	Syria		536.00						536.00
	8/19	8/25	Israel		2,184.00						2,184.00
	8/13	8/25					[4] 5,856.58				5,856.58
Pearl-Alice Marsh	6/29	7/6	Zimbabwe		942.00		8,907.84				9,849.84
	8/10	8/14	Togo		825.00						825.00
	8/15	8/18	Benin		517.00						517.00
	8/10	8/18					[4] 5,088.30				5,088.30
Hon. Gregory Meeks	8/14	8/16	Venezuela		516.00						516.00
	8/16	8/17	Ecuador		238.00		1,186.30				1,424.30
Caleb McCarry	8/1	8/4	Venezuela		649.00		2,616.54				3,265.54
James McCormick	8/8	8/12	Philippines		693.00						693.00
	8/12	8/15	Malaysia		490.20				[5] 278.25		768.45
	8/8	8/12					[4] 5,542.00				5,542.00
Paul Oostburg Sanz	8/25	9/1	Colombia		1,237.00		2,557.54				3,794.54
Hon. Donald Payne	7/10	7/12	Netherlands		367.00		5,916.11				6,283.11
	8/2	8/4	Ethiopia		708.00						708.00
	8/4	8/6	Chad		552.00						552.00
	8/6	8/8	Ethiopia		202.00						202.00
	8/8	8/10	Djibouti		566.00						566.00
	8/10	8/11	Eritrea		430.00						430.00
	8/2	8/11					[4] 11,007.65				11,007.65
	9/16	9/19	Jordan		714.00						714.00
	9/19	9/20	Germany		154.00		(3)				154.00
Gregg Rickman	6/26	6/28	Italy		770.00						770.00
	6/28	7/1	UAE		836.00						836.00
	6/26	7/1					[4] 8,824.93				8,824.93
	7/24	7/27	Jordan		564.00						564.00
	7/27	7/29	Turkey		1,212.00						1,212.00
	7/24	7/29					[4] 6,136.40				6,136.40
Robin Roizman	7/25	8/1	China		1,477.00		[4] 7,221.00				8,698.00
Hon. Edward Royce	6/26	6/30	DRC		1,132.00						1,132.00
	6/30	7/5	Tanzania		1,415.00						1,415.00

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 2004—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	6/26	7/5					[4] 8,600.59				8,600.59
Jonathan Scharfen	6/26	6/28	Italy		840.00						840.00
	6/28	7/1	UAE		836.00						836.00
	6/26	7/1					[4] 8,824.93				8,824.93
	7/26	7/27	Jordan		376.00				[5] 693.59		1,069.59
	7/27	7/31	Turkey		991.00						991.00
	7/26	7/31					[4] 6,978.26				6,978.26
Hon. Adam Schiff	8/20	8/21	Pakistan		227.00						227.00
	8/21	8/22	Bahrain		99.00		3,684.09				3,783.09
Thomas Sheehy	6/26	6/30	DRC		1,132.00						1,132.00
	6/30	7/05	Tanzania		1,415.00						1,415.00
	6/26	7/5					[4] 8,600.59				8,600.59
Hon. Thomas Tancredo	9/18	9/21	Russia		1,100.00						1,100.00
	9/21	9/22	United Kingdom		457.00						457.00
	9/18	9/22					[4] 7,075.93				7,075.93
Sarah Tillemann	6/26	6/30	South Korea		980.00						980.00
	6/30	7/3	Hong Kong		767.00						767.00
	6/26	7/3					[4] 7,240.45				7,240.45
	8/3	8/12	India		646.00						646.00
	8/9	8/10	Nepal		188.00						188.00
	8/3	8/12					[4] 7,652.10				7,652.10
Lynne Weil	6/26	6/30	South Korea		937.00						937.00
	6/30	7/3	Hong Kong		816.00						816.00
	6/26	7/3					[4] 8,095.55				8,095.55
Hon. Jerry Weller	7/18	7/19	Canada		259.00		1,016.58				1,275.58
	8/14	8/16	Venezuela		516.00						516.00
	8/16	8/17	Ecuador		238.00						238.00
	8/17	8/19	Bolivia		312.00						312.00
	8/19	8/21	Peru		739.00		(3)				739.00
Hon. Robert Wexler	6/30	7/4	Israel		1,448.00		5,963.34				7,411.34
Committee total					87,498.31		318,966.19		971.84		407,436.34

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Roundtrip airfare.
[5] Cost of entire delegation.

HENRY J. HYDE, Chairman.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 2005

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
David Adams	10/22	10/28	Egypt		969.00		5,906.00				6,875.00
Hon. Cass Ballenger	10/22	10/29	Venezuela		268.00		(3)				268.00
	11/29	12/1	Venezuela		496.00		2,880.90				3,376.90
Hon. Chris Bell	10/24	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Patrick Brennan	10/22	10/24	Venezeula		496.00		(3)				496.00
	11/29	12/01	Venezuela		496.00		2,496.40				2,992.40
Hon. Steve Chabot	10/22	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Hon. Jo Ann Davis	10/9	10/13	Italy		1,784.00						1,784.00
	10/13	10/14	Poland		88.00		(3)				88.00
Hon. William Delahunt	10/22	10/24	Venezuela		596.00		(3)				596.00
Hon. Jeff Flake	12/15	12/18	Israel		915.50						915.50
	12/18	12/19			255.00		(3)				255.00
Hon. Elton Gallegly	11/29	11/30	Japan		194.00						194.00
	11/30	12/12	Thailand		2,640.00						2,640.00
	11/29	12/12					[4] 4,902.13				4,902.13
Kirsti Garlock	12/15	12/19	Greece		928.00		4,625.07				5,553.07
Kristen Gilley	12/15	12/19	Greece		903.00		3,753.04				4,656.04
Hon. Mark Green	10/22	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Hon. Peter King	10/22	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Robert King	10/22	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Hon. Thomas Lantos	10/23	10/24	Israel		362.00						362.00
	10/24	10/27	Jordan		952.00						952.00
	10/27	10/28	Turkey		281.00		(3)				281.00
David Lee	12/10	12/11	United Kingdom		742.00						742.00
	12/11	12/13	Austria		486.00						486.00
	12/13	12/17	Turkey		914.00						914.00
	12/10	12/17					[4] 6,912.00				6,912.00
Jessica Lewis	11/29	12/01	Venezuela		339.00		2,496.00				2,835.00
Noelle Lusane	12/11	12/13	Ghana		416.00		5,909.92				6,325.92
Caleb McCarry	10/22	10/24	Venezuela		481.00		(3)				481.00
Hon. Betty McCollum	10/22	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Hon. Thaddeus McCotter	12/5	12/7	Italy		922.00		3,612.15				4,534.15
John Mackey	11/10	11/16	Colombia		225.00		1,966.90				2,191.90
	12/10	12/11	United Kingdom		742.00						742.00
	12/11	12/13	Austria		486.00						486.00
	12/13	12/17	Turkey		914.00						914.00
	12/10	12/17					[4] 6,912.00				6,912.00
Alan Makovsky	10/23	10/24	Israel		362.00						362.00
	10/24	10/27	Jordan		952.00						952.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Hon. Gregory Meeks	10/22	10/24	Venezuela		596.00		(3)				596.00
Paul Oostburg-Sanz	10/22	10/24	Venezuela		390.00		(3)				390.00
	11/7	11/11	Brazil		605.00		7,069.31				7,674.31
Hon. Donald Payne	12/11	12/13	Ghana		416.00		6,073.42				6,489.42
Patrick Prisco	10/08	10/12	Italy		1,584.00		5,589.09				7,173.09
Hon. Edward Royce	10/22	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Jonathan Scharfen	12/10	12/11	United Kingdom		742.00				[5] 1,384.82		2,126.82

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON INTERNATIONAL RELATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 2005—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	12/11	12/13	Austria		486.00				[5] 429.95		915.95
	12/13	12/17	Turkey		914.00						914.00
	12/10	12/17					[4] 6,912.00				6,912.00
Doug Seay	11/21	11/23	United Kingdom		972.26		5,865.30				6,837.56
Thomas Sheehy	10/22	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Paula Sheil	11/29	11/30	Japan		194.00						194.00
	11/30	12/12	Thailand		2,640.00						2,640.00
	11/29	12/12					(4)				4,902.13
Sam Stratman	10/24	10/27	Jordan		1,190.00						1,190.00
	10/27	10/28	Turkey		281.00		(3)				281.00
Hon. Diane Watson	11/29	12/01	Venezuela		596.00		3,284.40				3,880.40
Hillel Weinberg	10/22	10/28	Egypt		1,002.00		5,906.00				6,908.00
Hon. Robert Wexler	12/2	12/4	Romania		540.00						540.00
	12/4	12/5	Bulgaria		250.00						250.00
	12/2	12/5					[4] 5,595.27				5,595.27
Committee total					46,051.76		103,569.43		1,814.77		151,435.96

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] Round trip airfare.
[5] Cost of entire delegation.

HENRY J. HYDE, Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3236. A letter from the Architect of the Capitol, transmitting a report of expenditures of appropriations during the period October 1, 2004 through March 31, 2005, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

3237. A letter from the Under Secretary, Department of Defense, transmitting certification with respect to the Chemical Demilitarization — Chemical Materials Agency and Chem Demil — CMA Newport major defense acquisition program, pursuant to 10 U.S.C. 2433(e)(1); to the Committee on Armed Services.

3238. A letter from the Principal Deputy Under Secretary for Personnel and Readiness, Department of Defense, transmitting authorization of Lieutenant General Norton A. Schwartz, United States Air Force, to wear the insignia of the grade of general in accordance with title 10, United States Code, section 777; to the Committee on Armed Services.

3239. A letter from the Principal Deputy Under Secretary for Personnel and Readiness, Department of Defense, transmitting authorization of Major General John F. Kimmons, United States Army, to wear the insignia of the grade of lieutenant general in accordance with title 10 United States Code, section 777; to the Committee on Armed Services.

3240. A letter from the Principal Deputy Under Secretary for Personnel and Readiness, Department of Defense, transmitting authorization of Major General Terry L. Gabreski, United States Air Force, to wear the insignia of the grade of lieutenant general in accordance with title 10 United States Code, section 777; to the Committee on Armed Services.

3241. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Ireland, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3242. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to New Zealand, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

3243. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's Proposed Letter(s) of Offer and Acceptance to Bahrain defense articles and services (Transmittal No. 05-40), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3244. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance to Thailand for defense articles and services (Transmittal No. 05-32), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3245. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Israel for defense articles and services (Transmittal No. 05-31), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

3246. A letter from the Inspector General, Department of Commerce, transmitting a copy of the interagency report entitled, ''the Interagency Review of the Licensing Process for Chemical and Biological Commodities,'' pursuant to section 1402(b)(3) of the National Defense Authorization Act for Fiscal Year 2000 (Pub. L. 106-65); to the Committee on International Relations.

3247. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 2005-26, Waiving Prohibition on United States Military Assistance with Respect to the Dominican Republic, pursuant to 22 U.S.C. 7421 et seq.; to the Committee on International Relations.

3248. A letter from the Secretary, Department of Health and Human Services, transmitting a copy of the Government National Mortgage Association (Ginnie Mae) management report for the fiscal year ended September 30, 2004, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform.

3249. A letter from the Chairman, Federal Accounting Standards Advisory Board, transmitting a copy of the report entitled, ''Statement of Federal Financial Accounting Standard 29, Heritage Assets and Stewardship Land''; to the Committee on Government Reform.

3250. A letter from the Architect of the Capitol, transmitting a report discussing the AOC's activities to improve worker safety during the second quarter of FY05, pursuant to the directives issued in the 107th Congress First Session, House of Representatives Report Number 107-169; to the Committee on House Administration.

3251. A letter from the Secretary, Department of the Interior, transmitting notification of payments to eligible governments in the State of Illinois for Fiscal Year 2005 under the Payments in Lieu of Taxes (PILT) program; to the Committee on Resources.

3252. A letter from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting the 2004 Annual Report of the National Institute of Justice (NIJ); to the Committee on the Judiciary.

3253. A letter from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting the annual report for 2003 on the STOP Violence Against Women Formula Grant Program; to the Committee on the Judiciary.

3254. A letter from the Chairperson, National Council on Disability, transmitting a report entitled, ''Saving Lives: Including People with Disabilities in Emergency Planning''; to the Committee on Transportation and Infrastructure.

3255. A letter from the Acting Assistant Secretary for Legislative Affairs, Department of State, transmitting an extension of the Department's Memorandum of Understanding Between the Government of the United States of America and the Government of the Republic of El Salvador Concerning the Imposition of Import Restrictions on Certain Categories of Archaeological Material from the Prehispanic Cultures of the Republic of El Salvador, pursuant to 19 U.S.C. 2602(g)(1); to the Committee on Ways and Means.

3256. A letter from the Acting Chief Counsel, FAC, Department of the Treasury, transmitting the Department's final rule — Reporting, Procedures and Penalties Regulations Sudanese Sanctions Regulations —— received June 13, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3257. A letter from the Administrator, ONP, Department of Labor, transmitting the Department's final rule — Indian and Native American Welfare-to-Work Program (RIN: 1205-AB16) received July 7, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3258. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Return of Property in Certain Cases [TD 9213] (RIN: 1545-AV01) received July 13, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3259. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Credit for Increasing Research Activities [TD 9205] (RIN: 1545-BE17) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3260. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Deemed Election to be an Association Taxable as a Corporation for a Qualified Electing S Corporation (RIN: 1545-BC32) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3261. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Assumption of Partner Liabilities [TD 9207] (RIN: 1545-AX93) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3262. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Predeceased Parent Rule [TD 9214] (RIN: 1545-BC60) received July 18, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3263. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Substitute for Return [TD 9215] (RIN: 1545-BC4 6) received July 18, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3264. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Source of Compensation for Labor or Personal Services [TD 9212] (RIN: 1545-AO72) received July 13, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3265. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Election Out of Section 1400L(c) (Rev. Proc. 2005-43) received July 1, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3266. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Section 179 Elections [TD 9209] (RIN: 1545-BC69) received July 13, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3267. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Allocation and Apportionment of Deductions for Charitable Contributions [TD 9211] (RIN: 1545-AP30) (RIN: 1545-BD47) received July 13, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3268. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Limitations Applicable to Dividends received from Regulated Investment Company (Rev. Rul. 2005-31) received May 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3269. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Automatic Consent to Change to the Alternative Tax Book Value Method of Valuing Assets for Expense Apportionment Purposes (Rev. Proc. 2005-28) received May 9, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3270. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Gross Income Defined (Rev. Rul. 2005-46) received July 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3271. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Rules and Regulations (Rev. Proc. 2005-30) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3272. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Appeals Functions (Rev. Proc. 2005-33) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3273. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Determination of Issue Price in the Case of Certain Debt Instruments Issued for Property (Rev. Rul. 2005-32) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3274. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Examination of Returns and Claims for Refund, Credit, or Abatement; Determination of Correct Tax Liability (Rev. Proc. 2005-36) received July 11, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3275. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Examination of Returns and Claims for Refund, Credit, or Abatement; Determination of Correct Tax Liability. Procedures for Section 482 Setoffs (Rev. Proc. 2005-46) received July 11, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3276. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Examination of Returns and Claims for Refund, Credit, or Abatement; Determination of Correct Tax Liability (Rev. Proc. 2005-36) received July 11, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3277. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Last-in, First-out Inventories (Rev. Rul. 2005-26) received April 12, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3278. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Rulings and Determination Letters (Rev. Proc. 2005-48) received July 14, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3279. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Determination of Issue Price in the Case of Certain Debt Instruments for Property (Rev. Rul. 2005-54) received July 20, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3280. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Low-Income Housing Credit (Rev. Rul. 2005-44) received July 20, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3281. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Income Affected by Treaty (Rev. Proc. 2005-44) received July 20, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3282. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Qualification of certain arrangements as insurance [Notice 2005-49] received June 21, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3283. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Termination of Tobacco Quotas and Price Support Programs [Notice 2005-57] received July 20, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3284. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Foreign Bank Interest Expense Allocation to Effectively Connected Income [Notice 2005-53] received July 18, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3285. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Weighted Average Interest Rates Update [Notice 2005-39] received May 11, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3286. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Electronic Submission of Lists Identifying Contracts Subject to Closing Agreements Under Rev. Rul. 2005-6 [Notice 2005-6] received May 4, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3287. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Gross Income Derived from Business (Rev. Rul. 2005-28) received April 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3288. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Collection Functions (Rev. Proc. 2005-34) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3289. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Examination of Returns and Claims for Refund, Credit, or Abatement; Determination of Correct Tax Liability (Rev. Proc. 2005-32) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3290. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Guidance Regarding Qualified Intellectual Property Contributions [Notice 2005-41] received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3291. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Mortgage Revenue Bonds [TD 9204] (RIN: 1545-BC59) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3292. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule

— Regulations Governing Practice Before the Internal Revenue Service [TD 9201] (RIN: 1545-BA70) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3293. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Additional Rules for Exchanges of Personal Property Under Section 1031(a) [TD 9202] (RIN: 1545-BD25) received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3294. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Rules and Determination Letters (Rev. Proc. 2005-20) received April 13, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3295. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Amounts received Under Accident and Health Plans (Rev. Rul. 2005-24) received April 8, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3296. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Deductions for Entertainment Use of Business Aircraft [Notice 2005-45] received June 1, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3297. A letter from the Acting chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Insurance Company Taxable Income (Rev. Rul. 2005-33) received May 24, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3298. A letter from the Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Golden Parachute Payments (Rev. Rul. 2005-39) received June 21, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3299. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Tax on Insurance Companies Other Than Life Insurance Companies (Rev. Rul. 2005-40) received June 21, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3300. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Coordinated Issue Paper All Industries: Notice 2002-50 Tax Shelter [UIL 9300.21-00] received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3301. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Transfer or Sale of Compensatory Options or Restricted Stock to Related Persons [UIL: 9300.28.0] received May 26, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3302. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — All Industries Losses Claimed and Income to be Reported from Sale In/Lease Out (SILO) Transactions [UIL 9300.38-00] received July 6, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3303. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Like-Kind Exchanges Involving Federal Communications Commission Licenses [UIL: 1031.02-00] received June 1, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3304. A letter from the Acting Chief, Publications and Regulations, Internal Revenue Service, transmitting the Service's final rule — Abandonment Losses for Intangible Assets [UIL: 165.13-00] received June 1, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

3305. A letter from the Regulations Officer, OR, Social Security Administration, transmitting the Administration's final rule — Amendments to Annual Earnings Test for Retirement Benficiaries [Regulation No. 4] (RIN: 0960-AF62) received June 13, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GINGREY: Committee on Rules. House Resolution 385. Resolution providing for consideration of the bill (H.R. 5) to improve patient access to health care services and provide improved medical care by reducing the excessive burden the liability system places on the health care delivery system (Rept. 109–185). Referred to the House Calendar.

Mr. DREIER: Committee on Rules. House Resolution 386. Resolution providing for consideration of the bill (H.R. 3045) to implement the Dominican Republic-Central America-United States Free Trade Agreement (Rept. 109–186). Referred to the House Calendar.

Mr. PUTNAM: Committee on Rules. House Resolution 387. Resolution providing for consideration of the bill (H.R. 3283) to enhance resources to enforce United States trade rights (Rept. 109–187). Referred to the House Calendar.

Mr. TAYLOR of North Carolina: Committee of Conference. Conference report on H.R. 2361. A bill making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes (Rept. 109–188). Ordered to be printed.

Mr. LEWIS of California: Committee of Conference. Conference report on H.R. 2985. A bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 2006, and for other purposes (Rept. 109–189). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GUTIERREZ (for himself, Mr. FRANK of Massachusetts, Ms. LEE, and Mrs. MCCARTHY):

H.R. 3426. A bill to clarify the applicability of State law to national banks and Federal savings associations, and for other purposes; to the Committee on Financial Services.

By Mr. SMITH of New Jersey (for himself and Mrs. KELLY):

H.R. 3427. A bill to provide for the expansion of Federal efforts concerning the prevention, education, treatment, and research activities related to Lyme and other tick-borne diseases, including the establishment of a Tick-Borne Diseases Advisory Committee; to the Committee on Energy and Commerce.

By Ms. HART (for herself and Mr. ROSS):

H.R. 3428. A bill to amend the Internal Revenue Code of 1986 to repeal the medicine and drugs limitation on the deduction for medical care; to the Committee on Ways and Means.

By Mr. MANZULLO (for himself and Mr. RAMSTAD):

H.R. 3429. A bill to amend the Small Business Investment Act of 1958 to establish a participating debenture program; to the Committee on Small Business.

By Mr. JONES of North Carolina (for himself and Ms. BORDALLO):

H.R. 3430. A bill to ensure by law the ability of the military service academies to include the offering of a voluntary, nondenominational prayer as an element of their activities; to the Committee on Armed Services.

By Mr. DENT (for himself, Mr. EHLERS, Mr. PITTS, Mr. ROGERS of Michigan, Mr. AKIN, Mr. PLATTS, Mr. WOLF, Mr. GERLACH, Mr. SCHWARZ of Michigan, and Mr. CANTOR):

H.R. 3431. A bill to amend the Indian Gaming Regulatory Act to limit casino expansion; to the Committee on Resources.

By Mr. ANDREWS:

H.R. 3432. A bill to create a system of background checks for certain workers who enter people's homes, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ANDREWS:

H.R. 3433. A bill to amend the Federal Rules of Evidence to establish a parent-child privilege; to the Committee on the Judiciary.

By Mr. ANDREWS:

H.R. 3434. A bill to amend title 38, United States Code, to establish a presumption of service-connection for certain veterans with Hepatitis C, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. BLACKBURN:

H.R. 3435. A bill to amend title II of the Social Security Act to establish a Social Security Surplus Protection Account in the Federal Old-Age and Survivors Insurance Trust Fund to hold the Social Security surplus, to provide for suspension of investment of amounts held in the Account until enactment of legislation providing for investment of the Trust Fund in investment vehicles other than obligations of the United States, and to establish a Social Security Investment Commission to make recommendations for alternative forms of investment of the Social Security surplus in the Trust Fund; to the Committee on Ways and Means.

By Mr. BOUSTANY (for himself and Mr. WILSON of South Carolina):

H.R. 3436. A bill to withhold funding from the United Nations if the United Nations abridges the rights provided by the Second Amendment to the Constitution, and for other purposes; to the Committee on International Relations.

By Mr. CAMP:

H.R. 3437. A bill to amend titles XVIII and XIX of the Social Security Act with respect to reform of Federal survey and certification process of nursing facilities under the Medicare and Medicaid Programs; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CUMMINGS:

H.R. 3438. A bill to provide that the Secretary of Education may give preference, in the distribution of certain grants under the Individuals with Disabilities Education Act, to local educational agencies and certain public or private nonprofit organizations that provide training to regular education personnel to meet the needs of children with disabilities; to the Committee on Education and the Workforce.

By Mr. ETHERIDGE (for himself, Mr. PRICE of North Carolina, Mr. MCINTYRE, Mr. MILLER of North Carolina, Mr. BUTTERFIELD, Mr. WATT, Mr. JONES of North Carolina, Mr. HAYES, Ms. FOXX, Mr. COBLE, Mr. MCHENRY, Mrs. MYRICK, and Mr. TAYLOR of North Carolina):

H.R. 3439. A bill to designate the facility of the United States Postal Service located at 201 North 3rd Street in Smithfield, North Carolina, as the ''Ava Gardner Post Office''; to the Committee on Government Reform.

By Mr. FORTUÑO:

H.R. 3440. A bill to designate the facility of the United States Postal Service located at 100 Avenida RL Rodriguez in Bayamon, Puerto Rico, as the ''Dr. Jose Celso Barbosa Post Office Building''; to the Committee on Government Reform.

By Mr. GARRETT of New Jersey (for himself, Mr. PAUL, Mr. HOSTETTLER, Mr. BACHUS, and Mr. SMITH of New Jersey):

H.R. 3441. A bill to amend the Internal Revenue Code of 1986 to apply the child tax credit with respect to a taxable year to a child born within 9 months after the close of the taxable year and to a child who is stillborn or dies in utero during the taxable year; to the Committee on Ways and Means.

By Mrs. LOWEY (for herself, Mr. SHAYS, Mr. VAN HOLLEN, Mr. FARR, Mr. MORAN of Virginia, Mr. NADLER, Mr. FRANK of Massachusetts, Mr. MCDERMOTT, Mr. ENGEL, Mr. GEORGE MILLER of California, Mr. OWENS, Mr. SABO, Mr. CROWLEY, Mr. UDALL of Colorado, Mr. GALLEGLY, Ms. BORDALLO, Mr. KILDEE, Mr. SHERMAN, Mr. HOLT, Mr. BLUMENAUER, Ms. DELAURO, Mr. LANTOS, Mr. KUCINICH, Mr. LARSON of Connecticut, Mr. HONDA, Mr. MCNULTY, Mr. EVANS, Ms. NORTON, Mr. COSTELLO, Mrs. MALONEY, Mrs. TAUSCHER, Ms. SCHAKOWSKY, Mr. GUTIERREZ, Mr. ACKERMAN, Ms. SLAUGHTER, Mr. DEFAZIO, and Mr. ROTHMAN):

H.R. 3442. A bill to end the use of conventional steel-jawed leghold traps on animals in the United States; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, International Relations, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MUSGRAVE (for herself and Mr. UDALL of Colorado):

H.R. 3443. A bill to direct the Secretary of the Interior to convey certain water distribution facilities to the Northern Colorado Water Conservancy District; to the Committee on Resources.

By Mr. PAUL:

H.R. 3444. A bill to amend the Internal Revenue Code of 1986 to provide credits against income tax for qualified stem cell research, the storage of qualified stem cells, and the donation of umbilical cord blood; to the Committee on Ways and Means.

By Mr. PORTER:

H.R. 3445. A bill to direct the Attorney General of the United States, upon request of the chief executive officer of a State, to provide officers of local educational agencies and the State educational agency in that State with certain access to the national crime information databases, and for other purposes; to the Committee on the Judiciary.

By Mr. RAHALL (for himself and Mrs. CHRISTENSEN):

H.R. 3446. A bill to amend the National Historic Preservation Act to provide appropriation authorization and improve the operations of the Advisory Council on Historic Preservation; to the Committee on Resources.

By Mr. UDALL of Colorado:

H.R. 3447. A bill to provide a means of resolving claims regarding the continued existence of rights-of-way under former section 2477 of the Revised Statutes, for the benefit of private landowners, State and local governments, and the public; to the Committee on Resources.

By Mr. UDALL of Colorado:

H.R. 3448. A bill to authorize and direct the Secretary of the Department of Commerce to acquire a professional services building and property adjacent to the Department of Commerce's Boulder research campus; to the Committee on Science.

By Mr. CASE (for himself, Mr. ABERCROMBIE, Mr. BURTON of Indiana, Mr. FILNER, Mr. MCCAUL of Texas, Mr. SERRANO, Mr. SCOTT of Virginia, Mr. SCHIFF, Mr. MCDERMOTT, Mrs. NAPOLITANO, Mr. SMITH of Washington, Ms. HARMAN, Ms. MATSUI, Mr. PALLONE, Mr. DICKS, Ms. ROYBAL-ALLARD, Mr. CROWLEY, Ms. ZOE LOFGREN of California, Mr. GRIJALVA, Mr. FARR, Ms. BORDALLO, Mr. HONDA, Mr. GEORGE MILLER of California, Mr. BECERRA, Mr. BERMAN, Mr. AL GREEN of Texas, Ms. SCHAKOWSKY, Ms. WATSON, Mr. ISSA, and Mr. FALEOMAVAEGA):

H. Con. Res. 218. Concurrent resolution recognizing the centennial of sustained immigration from the Philippines to the United States and acknowledging the contributions of our Filipino-American community to our country over the last century; to the Committee on Government Reform.

By Ms. GRANGER (for herself, Ms. ROS-LEHTINEN, Mrs. TAUSCHER, and Mr. OSBORNE):

H. Res. 383. A resolution encouraging the Transitional National Assembly of Iraq to adopt a constitution that grants women equal rights under the law and to work to protect such rights; to the Committee on International Relations, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ISSA (for himself, Mr. TOM DAVIS of Virginia, Mr. HYDE, Mr. LANTOS, Ms. ROS-LEHTINEN, Mr. WEXLER, Mr. CHABOT, Mr. DINGELL, Mr. RAHALL, Mr. LAHOOD, Ms. GINNY BROWN-WAITE of Florida, Mrs. MILLER of Michigan, Mr. PEARCE, Mr. MCCAUL of Texas, Mr. RENZI, Mr. CONAWAY, Mr. FLAKE, Mr. FRANK of Massachusetts, Mr. WAXMAN, Mr. SHAYS, Mr. CUNNINGHAM, Mr. KOLBE, Mr. DANIEL E. LUNGREN of California, Mr. ROHRABACHER, Mr. BOUSTANY, Mr. FOLEY, Mr. JINDAL, and Mr. MORAN of Virginia):

H. Res. 384. A resolution condemning in the strongest terms the terrorist attacks in Sharm el-Sheikh, Egypt, on July 23, 2005, and for other purposes; to the Committee on International Relations.

By Mr. LINCOLN DIAZ-BALART of Florida (for himself, Ms. ROS-LEHTINEN, Mr. MENENDEZ, Ms. WASSERMAN SCHULTZ, Mr. MARIO DIAZ-BALART of Florida, Mr. ENGEL, Mr. BURTON of Indiana, Mr. MACK, Mr. MCHENRY, Mr. FEENEY, and Mr. CUELLAR):

H. Res. 388. A resolution expressing the sense of the House of Representatives regarding the July, 2005, measures of extreme repression on the part of the Cuban Government against members of Cuba's prodemocracy movement, calling for the immediate release of all political prisoners, the legalization of political parties and free elections in Cuba, urging the European Union to reexamine its policy toward Cuba, and calling on the representative of the United States to the 62d session of the United Nations Commission on Human Rights to ensure a resolution calling upon the Cuban regime to end its human rights violations, and for other purposes; to the Committee on International Relations.

By Ms. SLAUGHTER (for herself and Mr. SHAYS):

H. Res. 389. A resolution supporting the goals and ideals of The Year of the Museum; to the Committee on Government Reform.

By Mr. SMITH of Texas (for himself, Mr. DOGGETT, Mr. CARTER, and Mr. MCCAUL of Texas):

H. Res. 390. A resolution congratulating Lance Armstrong on his seventh Tour de France victory and his retirement and recognizing his dedication to helping others; to the Committee on Government Reform.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

36. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to Senate Resolution No. 35 memorializing the Congress of the United States and the United States Department of Agriculture to provide assistance, including additional emergency funding, in the effort to mitigate the infestation of the Emerald Ash Borer; to the Committee on Agriculture.

37. Also, a memorial of the Legislature of the State of Tennessee, relative to Senate Joint Resolution No. 277 urging the Congress of the United States to stop cuts in agriculture-related programs and initiatives in the Fiscal Year 2006 federal budget; to the Committee on Agriculture.

38. Also, a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Senate Resolution No. 154 memorializing the Congress of the United States to review and consider the National Governors Association recommendations which would allow states to utilize greater flexibility in their provision of Medicaid services; to the Committee on Armed Services.

39. Also, a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Senate Resolution No. 145 urging the Congrees of the United States and the members of the 2005 BRAC Commission to remove the Pittsburgh International Airport Air Reserve Station and the Charles E. Kelly Support Center from the list of proposed military base closures and to remove the 99th Regional Readiness Command from the list of proposed base realignments; to the Committee on Armed Services.

40. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resultion No. 167 urging the Base Realignment and Closure Commission to reject the Defense Department's recommendation to close the Defense Information Systems Agency (DISA) site in Slidell; to the Committee on Armed Services.

41. Also, a memorial of the Senate of the State of Pennsylvania, relative to Senate Resolution No. 130 urging the President of the United States and the Congress of the United States and all members of the BRAC Commission to remove the Naval Air Station Joint Reserve Base Willow Grove from the list of military base closures recommended by the Department of Defense; to the Committee on Armed Services.

42. Also, a memorial of the Legislature of the State of Missouri, relative to Senate

Concurrent Resolution No. 7 urging the Congress of the United States to authorize and appropriate full funding required to establish the proposed Chiropractic Center for Military Research at Logan College of Chiropractic at its campus in Chesterfield, Missouri; to the Committee on Armed Services.

43. Also, a memorial of the General Assembly of the State of Tennessee, relative to House Joint Resolution No. 146 memorializing the Congress of the United States to enact legislation to posthumously award First Lieutenant Garlin Murl Conner, United States Army, a much deserved Medal of Honor; to the Committee on Armed Services.

44. Also, a memorial of the Legislature of the State of Hawaii, relative to House Concurrent Resolution No. 208 urging the President of the United States, the Congress of the United States, and the United States of the Department of Education to continue funding for the Even Start Family Literacy Program; to the Committee on Education and the Workforce.

45. Also, a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 10 memorializing the Congress of the United States to enact the Breast Cancer Patient Protection Act; to the Committee on Energy and Commerce.

46. Also, a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 6 memorializing the Congress of the United States to require revisions to Weekly Natural Gas Storage Report procedures in order to mandate immediate disclosure of corrections to erroneous information; to the Committee on Energy and Commerce.

47. Also, a memorial of the Senate of the State of Pennsylvania, relative to Senate Resolution No. 125 encouraging the Congress of the United States and the United States Environmental Protection Agency to take the steps necessary to redistribute more of the $2 billion in the Leaking Underground Storage Tank Fund to states to offset administrative costs of the federally mandated fund; to the Committee on Energy and Commerce.

48. Also, a memorial of the Legislature of the State of Louisiana, relative to Senate Concurrent Resolution No. 120 memorializing the Congress of the United States to establish a domestic energy policy that will ensure an adequate supply of energy and the necessary infrastructure; to the Committee on Energy and Commerce.

49. Also, a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Senate Resolution No. 96 urging the President and the Congress of the United States to enact legislation to provide additional funding ALS research; to the Committee on Energy and Commerce.

50. Also, a memorial of the Senate of the State of Rhode Island, relative to Senate Resolution No. 220 memorializing the Congress of the United States to provide domestic energy policy that ensures an affordable supply of natural gas and embraces a concerted national effort to promote greater efficiency and environmental responsible natural gas production; to the Committee on Energy and Commerce.

51. Also, a memorial of the Senate of the State of Ohio, relative to Senate Resolution No. 35 memorializing the Congress of the United States to amend the Energy Policy Act of 1992 to specify that an electric-hybrid vehicle must receive credit as being an alternative fueled vehicle for purposes of the requirement that 75% of new light duty motor vehicles acquired annually for state government fleets by alternative fueled vehicles; to the Committee on Energy and Commerce.

52. Also, a memorial of the House of Representatives of the State of Ohio, relative to House Resolution No. 21 urging the Congress of the United States to enact the Clear Skies Act of 2005; to the Committee on Energy and Commerce.

53. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to House Resolution No. 277 urging the President of the United States and the Congress of the United States to enact legislation to provide additional funding for ALS research; to the Committee on Energy and Commerce.

54. Also, a memorial of the Senate of the State of Indiana, relative to Senate Resolution No. 25 memorializing the Congress of the United States to give due consideration to the readiness of the Republic of China on Taiwan for membership in the United Nations; to the Committee on International Relations.

55. Also, a memorial of the House of Representatives of the State of Minnesota, relative to House File No. 2143 memorializing the President of the United States and the Congress of the United States and the United States Postal Service to maintain current levels of service; to the Committee on Government Reform.

56. Also, a memorial of the Legislature of the State of Louisiana, relative to Senate Concurrent Resolution No. 117 memorializing the Congress of the United States to direct the U.S. Maritime Administration to require that the environmental impacts of offshore liquefied natural gas terminals be fully investigated and considered before these facilities are licensed, especially in regards to the individual and cumulative impacts of open rack vaporization systems on marine species and marine habitat; to the Committee on Resources.

57. Also, a memorial of the Legislature of the State of Nevada, relative to Senate Joint Resolution No. 1 urging the Congress of the United States to take certain action concerning wilderness areas and wilderness study areas; to the Committee on Resources.

58. Also, a memorial of the Senate of the State of West Virginia, relative to Senate Resolution No. 46 urging the Congress of the United States to review provisions in the federal PATRIOT Act; to the Committee on the Judiciary.

59. Also, a memorial of the Legislature of the State of Louisiana, relative to House Concurrent Resolution No. 84 memorializing the Congress of the United States and the Louisiana congressional delegation to approve funding for deepening the Houma Navigation Canal, including funding efforts to make beneficial use of the dredge material for embankment stabilization; to the Committee on Transportation and Infrastructure.

60. Also, a memorial of the Legislature of the State of Louisiana, relative to Senate Concurrent Resolution No. 71 memorializing the Congress of the United States to direct the New Orleans District of the United States Army Corps of Engineers to cease using Section 10 of the Rivers and Harbors Act to stop sustainable forestry practices in areas that have no impact on actual navigation except in the parishes of Terrebonne, Lafourche, and St. Charles; to the Committee on Transportation and Infrastructure.

61. Also, a memorial of the Legislature of the State of Arizona, relative to House Concurrent Memorial 2003 urging the Congress of the United States to protect the citizens of the State of Arizona by enacting legislation to ensure reasonable rates; to the Committee on Transportation and Infrastructure.

62. Also, a memorial of the Legislature of the State of Louisiana, relative to Senate Concurrent Resolution No. 61 memorializing the Congress of the United States to enact the Coastal Restoration Tax Credit Act of 2005; to the Committee on Ways and Means.

63. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to House Resolution No. 84 urging the Congress of the United States to direct the Internal Revenue Service to rescind its ruling that certain emergency grant payments be subject to Federal income tax; to the Committee on Ways and Means.

64. Also, a memorial of the Senate of the State of Louisiana, relative to Senate Resolution No. 177 memorializing the members of the United States Senate from Louisiana, Senator Mary Landrieau and Senator David Vitter, to continue to work toward enacting federal legislation to ensure that deserving victims of asbestos exposure receive compensation; jointly to the Committees on the Judiciary and Energy and Commerce.

65. Also, a memorial of the Legislature of the State of Montana, relative to Senate Joint Resolution No. 27 urging the Montana Congressional Delegation to oppose any federeal asbestos legislation that reduces the amount of compensation that Libby tremolite asbestos disease victims would otherwise receive; jointly to the Committees on the Judiciary and Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 5: Mrs. MYRICK, Ms. FOXX, Mr. THOMAS, Mr. SHUSTER, Mr. MCHENRY, Mr. CANNON, Mr. HOSTETTLER, Mr. MATHESON, and Mr. MURTHA.

H.R. 97: Mr. TERRY and Mr. BERRY.

H.R. 98: Mr. WELLER.

H.R. 147: Mr. SULLIVAN, Mr. MEEKS of New York, Mr. CANTOR, Mr. FORTUÑO, Mr. FITZPATRICK of Pennsylvania, Mr. MARCHANT, Mr. GERLACH, and Mr. LEACH.

H.R. 328: Mr. WEINER.

H.R. 363: Mr. LARSEN of Washington, Mr. CUELLAR, and Ms. HOOLEY.

H.R. 425: Mr. OWENS, Mrs. NAPOLITANO, and Ms. NORTON.

H.R. 503: Mr. GUTIERREZ.

H.R. 519: Mr. PORTER, Mr. WELDON of Florida, Mr. BILIRAKIS, Mr. THORNBERRY, Mr. REICHERT, Mr. HINOJOSA, Mr. MCDERMOTT, and Mr. SMITH of Washington.

H.R. 586: Mr. GOODLATTE.

H.R. 602: Mr. WU.

H.R. 713: Mr. BARROW.

H.R. 758: Mr. AKIN and Mr. EDWARDS.

H.R. 759: Mr. HASTINGS of Florida, Ms. CARSON, and Mr. GUTIERREZ.

H.R. 769: Mrs. MALONEY and Mr. LARSEN of Washington.

H.R. 819: Mr. NEAL of Massachusetts.

H.R. 881: Mr. CHANDLER, Mr. JONES of North Carolina, and Ms. WASSERMAN SCHULTZ.

H.R. 897: Mr. NADLER.

H.R. 916: Mr. DOGGETT, Mr. DAVIS of Tennessee, Mr. MCCOTTER, and Mr. MENENDEZ.

H.R. 923: Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 937: Ms. SCHAKOWSKY and Mr. BACA.

H.R. 983: Mr. ANDREWS and Mr. OLVER.

H.R. 986: Mr. FOLEY and Mr. GERLACH.

H.R. 997: Mr. NUSSLE.

H.R. 998: Mr. BARTLETT of Maryland and Mr. HOLT.

H.R. 1000: Mr. CULBERSON.

H.R. 1071: Mr. GARY G. MILLER of California.

H.R. 1083: Mr. SCHIFF and Mr. ALEXANDER.

H.R. 1108: Mrs. DAVIS of California and Mr. LARSON of Connecticut.

H.R. 1120: Mr. MOORE of Kansas and Mr. RYAN of Ohio.

H.R. 1124: Mrs. JOHNSON of Connecticut.

H.R. 1125: Mr. KUCINICH.

H.R. 1131: Mr. EMANUEL, Mr. BONNER, Mr. SMITH of Washington, Mr.
H.R. 1167: Mr. GREEN of Wisconsin and Mr. NEUGEBAUER.
H.R. 1175: Mr. LEACH.
H.R. 1192: Mr. COSTA.
H.R. 1204: Mr. MCINTYRE.
H.R. 1216: Mr. CRAMER and Mr. SODREL.
H.R. 1219: Mr. GOHMERT, MR. CRAMER, Mr. HOLDEN, Mr. COOPER, and Mr. GUTKNECHT.
H.R. 1227: Mr. MCNULTY and Ms. MCCOLLUM of Minnesota.
H.R. 1232: Mrs. NAPOLITANO.
H.R. 1245: Mrs. CAPPS.
H.R. 1259: Mr. SKELTON.
H.R. 1262: Ms. BALDWIN.
H.R. 1298: Mr. RYAN of Wisconsin and Mr. FILNER.
H.R. 1306: Ms. BORDALLO.
H.R. 1323: Mr. MEEKS of New York.
H.R. 1373: Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 1402: Mr. BECERRA, Mr. CARDOZA, Mr. COSTA, Mr. CUELLAR, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. ORTIZ, Mr. PASTOR, Mr. REYES, Mr. SALAZAR, Ms. LINDA T. SÁNCHEZ of California, Ms. LORETTA SANCHEZ of California, Mr. SERRANO, Ms. SOLIS, Ms. VELÁZQUEZ, Mr. WEXLER, and Mr. MICA.
H.R. 1405: Mr. MCCAUL of Texas.
H.R. 1409: Mr. FITZPATRICK of Pennsylvania, Mr. MATHESON, and Mr. LYNCH.
H.R. 1417: Mrs. JOHNSON of Connecticut
H.R. 1424: Mr. DOYLE and Mr. WEINER.
H.R. 1441: Mrs. LOWEY, Mr. MCGOVERN, Mr. BRADY of Pennsylvania, Mr. STRICKLAND, and Mr. RUSH.
H.R. 1471: Mr. REICHERT.
H.R. 1498: Mr. DAVIS of Alabama and Mr. HOLT.
H.R. 1554: Mr. WEXLER.
H.R. 1558: Mrs. DAVIS of California.
H.R. 1575: Mr. HOLT.
H.R. 1591: Mr. LANTOS and Mr. SHAW.
H.R. 1592: Mr. LANTOS.
H.R. 1632: Mrs. MCCARTHY and Mr. JENKINS.
H.R. 1636: Mr. BERMAN.
H.R. 1667: Mr. WEXLER.
H.R. 1668: Mr. MEEHAN, Mr. MICHAUD, and Ms. BALDWIN.
H.R. 1671: Mr. GRIJALVA.
H.R. 1704: Mrs. CHRISTENSEN, Mr. GUTIERREZ, Mr. MEEKS of New York, Mr. MCDERMOTT, and Mr. WEXLER.
H.R. 1722: Mr. PLATTS.
H.R. 1736: Mr. LEWIS of Georgia, Mr. LATOURETTE, and Mr. HALL.
H.R. 1789: Ms. JACKSON-LEE of Texas.
H.R. 1806: Mr. CAPUANO.
H.R. 1871: Mr. FERGUSON.
H.R. 1872: Mr. HYDE.
H.R. 1898: Mr. TAYLOR of North Carolina.
H.R. 1986: Mrs. BLACKBURN.
H.R. 2012: Mr. REICHERT, Mr. LYNCH, and Mr. DENT.
H.R. 2037: Mr. MENENDEZ and Mr. SMITH of New Jersey.
H.R. 2045: Mr. KIND and Mr. RYAN of Wisconsin.
H.R. 2048: Mr. MORAN of Virginia, Mr. OWENS, and Mr. SMITH of New Jersey.
H.R. 2061: Mr. BILIRAKIS, Mr. NEUGEBAUER, Ms. LORETTA SANCHEZ of California, Mr. BONILLA, Mr. MCCAUL of Texas, and Mr. SCHIFF.
H.R. 2098: Mr. MCGOVERN and Mr. NADLER.
H.R. 2218: Ms. BORDALLO.
H.R. 2231: Mr. SABO, Mr. WELLER, Mr. OBERSTAR, Mr. KING of Iowa, Mr. JACKSON of Illinois, Mr. GREEN of Wisconsin, and Mr. CROWLEY.
H.R. 2234: Ms. HART, Mr. PRICE of North Carolina, and Mr. EMANUEL.
H.R. 2258: Mr. BOREN.
H.R. 2305: Mr. MCHUGH.
H.R. 2308: Mr. HOLDEN, Mr. LYNCH, and Mr. WEXLER.
H.R. 2351: Mr. CONYERS and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 2363: Mr. REICHERT.
H.R. 2409: Mr. FARR.
H.R. 2471: Mr. GORDON.
H.R. 2533: Mr. MENENDEZ, Mr. GERLACH, and Ms. BEAN.
H.R. 2553: Mr. LARSEN of Washington.
H.R. 2567: Mr. MCDERMOTT and Mr. SMITH of New Jersey.
H.R. 2588: Mr. GOODLATTE.
H.R. 2617: Mr. FRANK of Massachusetts and Mr. ALLEN.
H.R. 2620: Ms. CARSON.
H.R. 2642: Mr. ENGEL, Mr. GINGREY, Mr. GORDON, Mr. LARSON of Connecticut, Mr. ABERCROMBIE, and Ms. ESHOO.
H.R. 2716: Mr. HINCHEY, Mr. DAVIS of Illinois, Mr. LANTOS, and Mr. SIMMONS.
H.R. 2717: Mr. UDALL of New Mexico.
H.R. 2720: Ms. HERSETH.
H.R. 2737: Mr. BRADY of Pennsylvania.
H.R. 2794: Mr. KENNEDY of Minnesota, Mr. RYUN of Kansas, Mr. DOYLE, Mr. BERRY, and Mr. ROSS.
H.R. 2799: Mr. FOLEY.
H.R. 2801: Mr. PRICE of North Carolina and Mr. RUPPERSBERGER.
H.R. 2803: Mr. MOLLOHAN, Mr. ROGERS of Michigan, and Mr. GOODE.
H.R. 2835: Mr. GERLACH.
H.R. 2842: Mr. KENNEDY of Minnesota.
H.R. 2943: Mr. BAKER.
H.R. 2963: Mr. WEXLER, Mr. MCDERMOTT, and Mr. PALLONE.
H.R. 2964: Mr. SMITH of Texas and Mr. ORTIZ.
H.R. 2989: Mr. GARRETT of New Jersey, Mr. GERLACH, and Mr. WU.
H.R. 2990: Mr. AKIN.
H.R. 3006: Mr. LARSON of Connecticut, Mr. EMANUEL, Mr. HASTINGS of Florida, Mr. LANGEVIN, Ms. DEGETTE, Ms. ZOE LOFGREN of California, Ms. WATSON, Mr. BAIRD, Mr. NEAL of Massachusetts, Mr. MARKEY, and Mr. WU.
H.R. 3079: Ms. GINNY BROWN-WAITE of Florida and Mr. WILSON of South Carolina.
H.R. 3083: Mr. CALVERT, Mr. PETERSON of Minnesota, Mr. KUHL of New York, and Mr. BACHUS.
H.R. 3127: Mr. OLVER, Mr. AL GREEN of Texas, Mr. FORTENBERRY, Mr. MEEKS of New York, Mr. HOLT, Mr. PALLONE, Mr. CARDIN, Mr. MCNULTY, and Mr. WEINER.
H.R. 3128: Mr. WU.
H.R. 3132: Mr. REYNOLDS, Mrs. CAPITO, and Mr. REHBERG.
H.R. 3146: Mr. MCHUGH and Mr. MOLLOHAN.
H.R. 3147: Mr. MCCAUL of Texas.
H.R. 3167: Mr. SENSENBRENNER.
H.R. 3174: Mr. BISHOP of Georgia, Mr. PAYNE, and Mr. DAVIS of Illinois.
H.R. 3187: Mr. LARSEN of Washington, Mr. MCDERMOTT, Mr. GERLACH, and Mr. GILCHREST.
H.R. 3192: Mr. HINCHEY, Ms. LEE, Mr. KUCINICH, Mr. BRADY of Pennsylvania, Ms. MATSUI, Mr. MCGOVERN, and Mr. WEXLER.
H.R. 3195: Ms. CARSON.
H.R. 3205: Mr. MCDERMOTT.
H.R. 3274: Mr. GREEN of Wisconsin.
H.R. 3283: Mr. WELLER, Mr. GREEN of Wisconsin, Mr. BACHUS, Mr. WICKER, Mr. KENNEDY of Minnesota, Mr. SODREL, Mr. BURGESS, and Mrs. JO ANN DAVIS of Virginia.
H.R. 3300: Mr. MILLER of Florida.
H.R. 3304: Mr. KLINE, Mr. GERLACH, and Mr. MARCHANT.
H.R. 3306: Mr. HOLT.
H.R. 3317: Mr. MCHENRY, Mr. CHABOT, Mr. BARRETT of South Carolina, Mr. FLAKE, Mr. FEENEY, Mr. GOHMERT, Mr. WICKER, Mr. SESSIONS, Mr. TIAHRT, Mr. PAUL, and Mr. KUHL of New York
H.R. 3323: Ms. WASSERMAN SCHULTZ, Mr. WOLF, Mr. BUTTERFIELD, Mr. BISHOP of New York, Ms. LINDA T. SÁNCHEZ of California, Mr. CROWLEY, Mr. ISRAEL, Mrs. TAUSCHER, Ms. HARMAN, Ms. ESHOO, Mr. HASTINGS of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. WATSON, Mr. HINCHEY, Mr. PASCRELL, Mr. BONNER, Mr. SHAYS, Mr. POE, Mr. ACKERMAN, Mr. MURTHA, Mr. LARSON of Connecticut, Mr. DAVIS of Illinois, Mrs. MALONEY, Ms. WOOLSEY, Mr. ROTHMAN, and Mr. BLUMENAUER.
H.R. 3352: Mr. DAVIS of Kentucky, Mr. HASTINGS of Florida, Mr. MATHESON, Mr. FILNER, Mr. MEEK of Florida, Mr. RYAN of Ohio, and Mr. GRIJALVA.
H.R. 3361: Mr. GARRETT of New Jersey and Mr. KIRK.
H.R. 3369: Mr. MCGOVERN, Ms. BERKLEY, Mr. OWENS, and Mr. ROTHMAN.
H.R. 3402: Ms. ZOE LOFGREN of California and Mr. POE.
H.R. 3405: Mr. CANNON, Mr. CARTER, Mr. GOODE, Mr. MORAN of Kansas, and Mrs. EMERSON.
H.R. 3423: Mr. INSLEE.
H.J. Res. 55: Ms. JACKSON-LEE of Texas and Mr. OWENS.
H.J. Res. 61: Ms. MCCOLLUM of Minnesota, Ms. BERKLEY, Ms. FOXX, Mr. PENCE, Mr. CONAWAY, and Mr. GREEN of Wisconsin.
H. Con. Res. 40: Mr. STUPAK.
H. Con. Res. 42: Mr. GORDON.
H. Con Res. 90: Mr. CALVERT, Ms. BERKLEY, and Mr. DAVIS of Kentucky.
H. Con. Res. 138: Mr. MENENDEZ.
H. Con. Res. 174: Ms. WASSERMAN SCHULTZ, Mr. WEINER, Ms. SCHWARTZ of Pennsylvania, Ms. GINNY BROWN-WAITE of Florida, Mrs. MALONEY, and Mr. SIMPSON.
H. Con. Res. 213: Ms. SCHAKOWSKY, Mr. PASCRELL, Ms. BERKLEY, Mr. RUSH, Mr. TOWNS, Mr. GENE GREEN of Texas, Mr. BACA, Ms. SCHWARTZ of Pennsylvania, and Ms. MOORE of Wisconsin.
H. Con. Res. 215: Ms. SCHAKOWSKY, Mr. PASCRELL, Ms. BERKLEY, Mr. RUSH, Mr. TOWNS, Mr. GENE GREEN of Texas, Mr. BACA, Ms. SCHWARTZ of Pennsylvania, and Ms. MOORE of Wisconsin.
H. Con. Res. 216: Mr. GONZALEZ, Mr. AL GREEN of Texas, Mr. CROWLEY, Mr. SERRANO, and Ms. WATSON.
H. Res. 246: Mr. PETERSON of Minnesota and Mr. MCDERMOTT.
H. Res. 316: Mr. NEAL of Massachusetts, Mr. UDALL of Colorado, Mr. LINCOLN DIAZ-BALART of Florida, Ms. LEE, Mr. DAVIS of Illinois, Mr. AL GREEN of Texas, and Mr. FITZPATRICK of Pennsylvania.
H. Res. 317: Mr. MCDERMOTT.
H. Res. 323: Mr. BERMAN and Mr. DOOLITTLE.
H. Res. 325: Mr. YOUNG of Florida.
H. Res. 327: Mrs. JONES of Ohio and Mr. MCDERMOTT.
H. Res. 336: Mr. CONAWAY.
H. Res. 360: Mr. POE, Mr. TERRY, Mr. MCCOTTER, and Mr. KENNEDY of Minnesota.
H. Res. 363: Mr. DOYLE.
H. Res. 375: Mr. OLVER.
H. Res. 381: Mr. PASCRELL, Mrs. CAPPS, and Mr. MEEHAN.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolution as follows:

H.R. 515: Mr. BOYD.