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Senate

The Senate was not in session today. Its next meeting will be held on Monday, December 12, 2005, at 2 p.m.

House of Representatives

THURSDAY, DECEMBER 8, 2005

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

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC,
December 8, 2005.

I hereby appoint the Honorable RAY LAHOOD to act as Speaker pro tempore on this day.

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

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God of prophets and saints, ever attentive to Your people, hear the prayers of this Nation and bless the United States of America, all its citizens, all those who work in the three branches of government and all who serve in the military.

Upon the dome which augments this building, Lord, there stands in classical feminine style a bronze Statue of Freedom. She is dressed in flowing drapery symbolic of the outpouring of plenitude which You have showered upon this land. Her headdress of eagle feathers pays tribute to our Native roots and crowned by stars bearing witness to the flag and the heavens.

She is Your creation, a beacon of hope and symbol to all who search in their souls for the lasting freedom You offer all Your beloved children. May we hear again today Your clear and assuring message saying to the heart of this Nation, ''I alone am the Lord'' and ''The Lord is with you.'' 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 Washington (Mr. BAIRD) come forward and lead the House in the Pledge of Allegiance.

Mr. BAIRD led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 10 one-minute speeches on each side.

AMERICA'S SUCCESSFUL ECONOMY

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

Ms. FOXX. Mr. Speaker, the latest economic numbers show that the Republicans' pro-growth economic policies are working. In November, the U.S. Consumer Confidence Index rose almost 15 points from the previous month, which bodes well as we enter the holiday shopping season.

The White House has projected that the economy would record a growth rate of 3.5 percent for 2005. In addition, the number of Americans filing first-time job claims fell to a new 7-month low, and the unemployment rate is holding steady at 5 percent.

Finally, nearly 4.5 million jobs have been added in the last 2½ years. This encouraging economic news demonstrates that the Republican plan of low taxes and restrained Federal spending is a winning combination.

Last month, we passed the Deficit Reduction Act, which is a plan to help reform government and yield savings for American taxpayers. Democrats, on the other hand, continue to push their tax-and-spend policies, a plan which is neither good for the family checkbook nor the American economy.

Republicans will continue to push for pro-growth policies to ensure that all Americans can realize the American Dream.

PRESIDENT BUSH'S SPEECHES ARE OUT OF ORDER

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

Mr. KUCINICH. Yesterday, the President gave his progress in Iraq speech.

Printed on recycled paper.

However, in Najaf, security is not being provided by the U.S.-trained Iraqi troops, but by the militia of radical Shiite Muslim Muqtada Al-Sadr.

In Mosul, the President said 50 percent of the people voted. But 56 percent of those who voted, voted against the constitution that the Bush administration was promoting.

On May 1 of 2003, the President stood on the deck of an aircraft carrier and gave his ''mission accomplished'' speech. Last week he gave his ''secret plan for victory'' speech. Yesterday, he gave his ''making progress'' speech.

I think I know the problem here. Whoever has been writing the President's speeches owes him an apology. They badly mixed up the sequence over the last few years. First, he was to give his ''plan for victory'' speech, then he was to give his ''making progress'' speech, then he was to give his ''mission accomplished'' speech.

I have here a copy of his ''get out of Iraq'' speech.

CONGRATULATING ST. XAVIER HIGH SCHOOL

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

Mr. CHABOT. Mr. Speaker, today I have the honor of congratulating Cincinnati's St. Xavier High School, one of Ohio's most athletically successful and academically accomplished institutions on its first Ohio High School Division I State football championship.

St. X defeated powerful Massillon Washington 24–17 in the final game, Massillon having previously won 22 State football championships. My wife, Donna, and I had the good fortune to attend many of St. X's games this year and last year since our son, Randy, is in the band.

St. X was great. They went 15–0 this year. USA Today in their national poll ranked them number nine in the whole country. I think they should have been number one.

Even more impressive, this is St. X's 36th State title in all sports, the most of any high school in the State. I am proud to say that this is the fourth consecutive year that Ohio's Division I football champs are from my congressional district. St. X joins Colerain and Elder high schools in making that possible.

Congratulations to Coach Steve Specht, his staff, the players, parents, alumni, fans, and of course the band. You were amazing. Go Bombers.

SUCCESS OF CLARK COUNTY'S INTER-SERVICE WALK AND KNOCK FOOD DRIVE

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

Mr. BAIRD. Mr. Speaker, on Saturday December 3, I was proud to join more than 4,350 volunteers to conduct the largest single-day food drive in the State of Washington.

Throughout Clark County, Washington, members of social service clubs and volunteers from all walks of the life gathered at 31 staging areas to canvass the entire county. I was pleased to join a young group of Brownies as we went door to door.

By 4 p.m. we had collected more than 114 tons of food at an approximate value of $365,000. Collections will now continue through December 9, bringing the total to an expected 130 tons. In the 21-year history, Clark County Walk and Knock has collected more than 4.9 million pounds of food valued at $6 million.

Walk and Knock is 100 percent volunteer, and 100 percent of any money donated by the public is used for the exclusive use of purchasing additional food. Organizers included members of the local Lions, Kiwanis, Rotary, Optimist and Sertoma clubs, as well as members of the Clark County Amateur Radio Club and the Boy Scouts and Girl Scouts of America.

Local businesses donated valuable resources, and together we produced an incredible success. I am proud of the commitment of southwest Washington's citizens, and urge my colleagues to support their local food banks.

The organizers of Walk and Knock are members of local Lions, Kiwanis, Rotary, Optimist, and Sertoma clubs, members of the Clark County Amateur Radio Club, and the Boy Scouts and Girl Scouts of America. Additional donated services were provided by Longshoremen Union Local 4, The Columbian newspaper, and Burgerville USA. Supportive funding was provided by Riverview Community Bank, all of the Clark County Les Schwab Tire Centers, Fred Meyer, Weyerhaeuser, US Bank, Columbia Credit Union, and British Pretroleum.

AMERICA NEEDS PENSION REFORM NOW

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

Mr. PRICE of Georgia. Mr. Speaker, traditional pension plans, once the legacy of a lifetime of work, are crumbling. And with time running short on our legislative year, action by Congress is necessary to protect the retirement of hardworking Americans.

Large and small businesses need changes to current law in order to have greater flexibility to help their employees plan for their financial security. Recently, Verizon Communications, a large, vibrant company, froze its pension plan for 50,000 employees. These defined benefit plans have not adapted to the times.

They have used the same formula since their inception, number of years worked multiplied by a certain amount of money. This formula does not account for a changing marketplace and does not result in the most benefit for workers.

Today, a retirement plan must be as dynamic as our society. Flexibility for employers and employees is imperative, and the Pension Protection Act is a step in the right direction; and Congress should pass it this year.

I urge my colleagues, Republicans and Democrats, to step up and help provide this needed reform now. Americans expect us to solve difficult problems, and pension protection is one that requires and deserves our attention.

THE CRISIS IN DARFUR

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

Mr. BLUMENAUER. Mr. Speaker, it is not often that we get everybody here in Congress to agree. But we do agree that Darfur's continuing nightmare is genocide. We have labeled it as such. We have all condemned it. The problem is we are not acting to stop it.

The foreign ops appropriations inexplicably dropped $50 million in conference that would have gone to support peacekeepers from the African Union. We often use this opportunity here today to talk to the American people.

Well, today I am talking to the 8,000 men and women on Capitol Hill who make things happen in Congress. Do not go home unless you ask what your office, your committee, your boss, your Member of Congress is going to do to stop the murder, the rape, the destruction and the violence.

At the very least, work to restore the $50 million in the defense appropriations so that 7,700 African Union peace keepers can be on the job. 7,700 people for an area the size of Texas does not sound like too much. It is the least we can do as we enter the holiday season.

HOWARD DEAN'S COMMENTS ON IRAQ

(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, Democratic Party chairman Howard Dean has taken his party's irresponsible rhetoric about our involvement in Iraq to a new low. In an interview earlier this week Mr. Dean said, ''The idea that we are going to win the war in Iraq is an idea which is just plain wrong.''

Dean's take on Iraq makes even less sense than his scream in Iowa. What does Mr. Dean think it does for the morale of our troops on the ground in Iraq when they hear the leader of one of their Nation's two major political parties say that he does not believe that they can get the job done.

Mr. Dean may not believe that our troops are up to the task in Iraq, but I and the overwhelming majority of my colleagues do. It is important our troops understand that. Our troops have freed 26 million Iraqis from the grip of a brutal and murderous dictator, set the stage for democratic elections in a country where this was once thought impossible.

Make no mistake, if the war against terrorism is lost, it will not be lost by our magnificent troops on the battlefield. It will be lost right here at home by politicians who lose their resolve.

AMERICA'S ECONOMY IS IN TROUBLE

(Ms. SCHAKOWSKY asked and was given permission to address the House for 1 minute.)

Ms. SCHAKOWSKY. Mr. Speaker, the President would have us believe that all is well with our economy. But the American people know better. Despite finally receiving some good economic news, middle-class families in this country continue to fall behind as incomes remain flat or drop.

Gas prices fluctuate, health care costs soar, and home heating costs skyrocket. Americans this week are paying nearly 70 cents more per gallon on gas now than in the first year that President Bush came to office.

According to the National Energy Assistance Directors Association, the average family using heating oil or natural gas will pay nearly three times the amount families paid the first winter President Bush was in office.

For the past 5 years, health care costs have increased by nearly 60 percent, driving up the number of uninsured by 6 million since the beginning of the Bush administration. Under President Bush, college tuition has gone up about 40 percent, even taking inflation into account.

Meanwhile, real household income fell for the fourth year in a row in 2004. Together, America can do better than an economy in which middle-class families are seeing falling incomes in the face of rising prices. The American people know it and so should the President.

BORDER SECURITY AND PASSPORTS

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

Mr. POE. Mr. Speaker, the 9/11 Commission report concluded: ''Americans should not be exempt from carrying passports when they enter the United States, nor should Canadians or Mexicans. The 9/11 experience shows that terrorists study and exploit America's vulnerabilities.''

Exempting anyone from carrying a passport when crossing into the United States is blatantly ignoring the commission's suggestions and is posing yet another serious vulnerability in our country's border security.

Neither Mexican nor Canadian visitors are required to show a passport to enter the United States, despite the fact that they rank number one and number four respectively as the largest sources of illegal immigration in the United States. Small wonder the governments of those nations oppose passports to enter America.

We need to do what is best for the United States, not what is best for Canada or Mexico. The 9/11 Commission stated that the United States is still at risk by not requiring passports to enter this country. Our border is seriously vulnerable. What is it going to take for us to figure this out?

Congress must make serious changes in our immigration policy before we lose the sovereignty of this Nation and become a Nation illegally colonized by other nations. That's just the way it is.

AMERICA'S WEAK ECONOMY

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Mr. Speaker, data released this Monday on productivity and wages show why the American people do not believe President Bush when he says our economic prospects are as bright as they have been for a long time.

Yes, productivity is strong, and the economy is growing. But the benefits of that growth are showing up in the bottom lines of companies, not in the paychecks of the American worker.

While productivity grew at a 4.7 percent annual rate in the third quarter, workers' pay, including their benefits, shrank at a 1.4 percent rate. Americans are working harder and harder and producing more and more, but they are getting paid less. This is not a bright economy.

□ 1015

ANOTHER IRAQI MILESTONE

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

Mr. SHIMKUS. Mr. Speaker, I wanted to thank the Latvian government for extending their troop commitment to Iraq for another year. Last January, 8.5 million Iraqis voted. Last October, more than 10 million voted. In both of these elections, the Iraqi people refused to be cowed by terrorist threats.

A week from today, Iraqis will, once again, defy terrorists and go to the polls a third time this year. They will choose their first 4-year parliament since Saddam Hussein was removed from power.

More than 300 parties and coalitions are registered for this election, and even those who opposed the October constitutional referendum have organized for this vote.

In his speech last week, President Bush mentioned Marine Corporal Jeffrey Starr who died fighting in Iraq. In a letter found after his death he wrote, ''I don't regret going, everybody dies, but few get to do it for something as important as freedom. It may seem confusing why we are in Iraq, it's not for me. I'm here helping these people, so they can live the way we live.''

Mr. Speaker, it is because of soldiers like Corporal Starr that Iraqis will one day live like we live, under freedom and democracy.

SWEET TRADE

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

Mr. DEFAZIO. Mr. Speaker, well, just in time for the holidays, the Republicans have prepared a bevy of treats known as tax cuts favoring those who earn over $300,000 a year. One of the most delectable is a 60 percent tax cut in the tax on stock dividends for millionaires. It costs $13 billion in revenue foregone, unfortunately. But with new found concern about the deficit, the Republicans are going to pay for that tax cut for the millionaires by raising fees and interest rates on students who are struggling to get an education.

What a sweet trade. More tax cuts for billionaires as they trickle down on the students who are struggling to live the American dream.

AMERICAN ECONOMY FLOURISHES

(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, workers throughout our country have over 4.25 million reasons to agree that the American economy continues to improve under Republican leadership.

Since President Bush signed the Jobs and Growth Act of 2003, the news about the economy has been overwhelmingly positive. 4.5 million new jobs have been created. The unemployment rate is lower than the average of the past three decades. The economy grew at 4.3 percent over the past 10 quarters. Tax receipts increased by $274 billion in just one year after the tax cuts, the largest increase ever due to economic growth.

As the Republican Congress continues to pass legislation that will decrease the tax burden upon American workers and eliminate excessive government regulations, our economy will continue to flourish. We will work hard to ensure that the American people, not the Federal Government, have control over their hard-earned money.

In conclusion, God bless our troops, we will never forget September 11, and the lifetime of service of the late Governor Carroll Campbell.

ECONOMY NOTHING TO BRAG ABOUT

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

Mrs. MCCARTHY. Mr. Speaker, when I am here in Washington I hear the administration and the House majority brag about how great our economy is,

but when I go home to Long Island, I hear a different story.

My constituents know the state of our economy is nothing to brag about. Prices at the pump are still alarmingly high. Home heating costs are skyrocketing. Corporations have stopped paying into their employees' pension plans. Taxes on student loans have increased. Despite rising health care costs, Medicaid faces deep and painful cuts; and American companies are closing plants and cutting jobs. In fact, almost 3 million manufacturing jobs have been lost since the administration took office.

The American people deserve better than lip service. The American people need an administration in Congress that will put their concerns first. We have seen over the last couple of years certainly the middle income families, which is the great portion of this great country, suffering. It is time that we look at them, help them and do a better job. America can do better.

DON DEGARMO

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

Mr. GARRETT of New Jersey. Mr. Speaker, I rise today to recognize the outstanding achievements of Don DeGarmo, a senior at Newton High School. Mr. DeGarmo has received the General Spaatz Award. That is the Civil Air Patrol's highest cadet honor. In only 4 years, he has demonstrated excellence in leadership, character, fitness, and aerospace education.

On average only two cadets in 1,000 ever receive this reward; and in over 40 years, only about 1,500 cadets have ever received it. I am confident that Mr. DeGarmo will continue to fulfill the Civil Air Patrol's mission, which is to serve America by performing Homeland Security and humanitarian missions for our communities, States, and Nation.

Upon graduation, Mr. DeGarmo plans to enter the U.S. Air Force and continue his commitment to protecting our values and our freedoms. We owe a great deal of debt to young men such as he who will protect and preserve the United States of America. At his young age, he is already becoming a role model for future generations, and I come here today to commend him for his exceptional career.

CORRUPTION

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

Ms. DELAURO. Mr. Speaker, as the Republican leadership spends more time in the courthouse than the People's House doing the people's business, defending itself from charges of bribery, tax evasion and money laundering, the President is traveling the country telling the American people how incredible this economy is.

Yet, survey after survey shows the American people do not agree with him. This despite the fact that the economy grew 4.2 percent last year. It is the best statistical performance since 1999. Why? Well, in part because very little of this growth is impacting them. 5.4 million more Americans live in poverty than they did before President Bush came into office. Six million more Americans are without health insurance, and the average income fell for the fifth year in a row last year.

The administration's stock explanation for this is always the same, ''September 11. We are at war.''

Well, being at war has not stopped corporate profits from soaring more than 50 percent since 2001. And when you have Members of Congress pleading guilty to having accepted bribes from defense contractors, ongoing investigations into lawmakers' agreeing to perform official acts in return for lavish golf trips, expensive dinners and campaign contributions, it is easy to understand why corporations are doing so well.

Mr. Speaker, it is time to put the needs of families before the special interests of lobbyists.

TAX RELIEF FOR AMERICANS TODAY

(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, you know, you can choose to be negative. You can choose to be positive. And with this economy and this great Nation there is a lot to be positive about. Everybody is writing about it. Even the good old Washington Post talking about we are going to move to cut taxes another $94.5 billion. That is one of the things that makes this economy work. It is why we are seeing record economic growth. Over 4 million jobs created. And today this body is going to take action on H.R. 4297, which already extends tax relief for millions of American families.

There is a provision, sales tax deductibility for States. Sales tax deductibility for individuals who, when they go to file their Federal income tax every April, they can deduct the sales tax they pay every year from that Federal income tax filing. This affects over 60 million individuals, hardworking Americans. We are going to give them tax relief today.

I encourage all Members of this body to support H.R. 4297.

POLITICAL CRONIES IGNORE THE LAW TO INCREASE REPUBLICAN POWER IN WASHINGTON

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

Mr. MCDERMOTT. Mr. Speaker, the Bush administration is scaling new heights in political cronyism. Not long ago, America cringed watching on TV as a presidential buddy could only manage to create a disaster, not respond to one in the Gulf Coast. But now we are finding out that political cronies ignored the voting rights of African Americans and Hispanic Americans in Texas.

The Washington Post uncovered a 73-page report that says that the Texas redistricting plan illegally diluted black and Hispanic voting in two of the State's congressional districts. The report received the unanimous support of eight Justice Department career employees, but the Republican political cronies ignored it.

One Justice Department attorney told the Post it was ''highly unusual'' for political appointees to overrule the unanimous findings such as this. But this is business as usual for the President's political appointees. Just ask the people of Louisiana, Mississippi, and now Texas.

It is time for the Republican cronies to go and let the people's votes count.

A TIME FOR EVERYTHING

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

Mr. SODREL. Mr. Speaker, I rise today to respond to the critics of our Iraqi policy. No one questions their right to criticize our commitment to the Iraqi people or the rate of progress being made. It is not their right I question but rather their responsibility. For every liberty there is a responsibility, and for every freedom a duty.

I just returned from Iraq. Much progress is being made towards a stable Iraq and a democratically-elected government. It is to me irresponsible to enter into the current debate on the very eve of the Iraqi election, the most important election in the history of that country.

Our words should be words of encouragement. Our words should lend support to this important election. Words do have meaning and ideas have consequences. At this critical time, our words should support the Iraqi people, our soldiers and the process.

In Ecclesiastes it is written, ''There is a time for everything.'' The critics are using the wrong words to express the wrong idea at the wrong time.

RISING HOME HEATING COSTS

(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, right now it is 25 degrees near Washington, DC. It is 22 degrees in my home in Chicago. It is 3 degrees in Denver and a chilly 19 degrees in Dallas. As the song goes, ''Baby, it's cold outside.''

But for millions of Americans this cold snap is just the beginning of a long cold winter. Why? Because while the mercury drops outside, inside home heating bills are getting a little too hot to handle. In fact, on Tuesday the Energy Department reported that the average homeowner's home heating bill will increase by nearly 26 percent, the largest increase in 5 years. Those who heat their homes with natural gas, nearly half of all Americans, can expect their home heating bills to increase by 38 percent; but taxpayers and seniors cannot expect any help from this Congress.

In fact, the Republican Congress is cutting, cutting home heating assistance to our elderly; and the energy bill we passed this summer will do nothing to lower the cost of energy or gas at the pump, in fact, despite having handed out $14.5 billion to the energy companies in taxpayer subsidies.

Mr. Speaker, these are the wrong priorities. You cannot hand out money to energy companies while cutting assistance to seniors. It is time to return the people's House to the American people. It is time for a change.

PROVIDING FOR CONSIDERATION OF H.R. 4297, TAX RELIEF EXTENSION RECONCILIATION ACT OF 2005

Mr. PUTNAM. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 588 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 588

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. 4297) to provide for reconciliation pursuant to section 201(b) of the concurrent resolution on the budget for fiscal year 2006. The bill shall be considered as read. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (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 Rangel of New York 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.

□ 1030

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from Florida (Mr. PUTNAM) is recognized for 1 hour.

Mr. PUTNAM. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from Rochester, New York (Ms. SLAUGHTER), 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.

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

Mr. PUTNAM. Mr. Speaker, in April Congress passed a responsible budget that called for spending restraint, reduction of the deficit; and by slowing the unsustainable and automatic growth of mandatory spending programs and extending tax relief to families and small businesses, we have successfully accomplished the first two. Now, this rule will provide for consideration of our final commitment to American taxpayers, extending numerous important tax relief provisions.

In 2001, 2003 and 2004, Congress enacted responsible tax relief to help create new jobs, grow America's economy, and put more money in the hands of workers, families, small businesses, farms, and ranches. Following this tax relief, unemployment dropped a full percentage point to 5 percent, and we have experienced 10 uninterrupted quarters of real growth in our economy, above 3 percent, the longest stretch since the 1980s. As was proven by the tax cuts during the Kennedy and Reagan administrations, Federal revenues actually increase after taxes are lowered.

Our expanding economy is led by consumer spending, job growth, and business investment. This is a result of allowing workers to keep more of their hard-earned money, decreasing the tax burden on small businesses so they can expand and hire more workers, and providing incentives for families to save and invest.

Unless we take action today, many of the important tax provisions that have helped our economy grow strong will expire. Without passage of this legislation, workers, families, and small businesses will have less of their paycheck to take home each week.

Mr. Speaker, H.R. 4297, the Tax Relief Extension Reconciliation Act, not the most eloquent of names but an important one, will continue to build on the economic progress we have already made.

A key part of the American Jobs Creation Act of 2004 was a return to fairness for those who live, work, and raise families in States with no State income tax. The State and local sales tax deduction is particularly important to those in my home State of Florida and nine other States because it gives every taxpayer the opportunity to deduct State sales tax from his Federal tax bill, something that other higher-tax States have enjoyed for some time. This provision is set to expire in 3 weeks. While I will continue to work to make the State and local sales tax deduction permanent, this bill extends the provision for an additional year, which is an important step forward for fairness.

The bill also extends several tax incentives to enhance the affordability of higher education, including tax-deferred education savings accounts and tax credits for post-secondary education. It allows all taxpayers to deduct up to $4,000 of higher education expenses, which will help more students go to college.

For teachers, the tax bill extends an important above-the-line deduction to help them contain the costs of out-of-pocket classroom expenses such as books, supplies, and computer equipment. We all know that our hard-working educators are covering for some of our neediest students, and this bill lets them keep the tax deductibility of their generosity.

In an effort to encourage savings and stable retirement security, this tax bill allows lower-income families that contribute to individual retirement accounts and pension plans to continue receiving a Federal match in the form of an income tax credit for the first $2,000 of annual contributions. This encourages families to save and plan for their own retirement. While we were unable as a body to settle on a Social Security reform plan, surely we can all agree that encouraging low-income families to save for retirement and giving them the tools to do so is a sound economic policy.

Our bill freezes the rate on capital gains and dividends and prevents an increase of the tax burden on 24 million families. It is imperative that we extend this tax relief so our economy will continue on its upward track.

New data released at the start of December show that our economy continues to strengthen and grow. The Labor Department reported that employers added 215,000 jobs in November, after adding 44,000 in October and 17,000 in September in the wake of devastating hurricanes.

The jobless rate remains unchanged at 5 percent. The economy grew at an annual rate of 4.3 percent in the third quarter, much stronger than expected.

Forecasters' outlooks for coming months are upbeat as well. November's increase in payroll, the largest since July, was broad-based. Construction employment rose by 37,000. Employment in professional and technical services rose by 22,000. Health care employment rose by 20,000 jobs. Manufacturers added 11,000 jobs last month following an increase of 15,000 in October.

The most recent Commerce Department report shows overall consumer spending increased at a 4.2 percent annual rate, exceeding expectations. Purchases of nondurable goods surged 3.6 percent, exceeding expectations. Housing spending came in at 8.4 percent. Business investment spending rose at 8.8 percent, exceeding expectations.

Obviously, the current tax policy of this Congress has encouraged economic growth, and to raise taxes now would close the door of opportunity that is open for so many today.

Mr. Speaker, this rule provides for consideration of a substitute bill.

While we often hear Democrats decry tax relief, they have decided to offer a substitute that extends many of the same tax provisions as this underlying bill does, but let us look at who they left out.

The Democratic substitute does not extend an income tax credit for low-income families who contribute to individual retirement accounts, IRAs, and pension plans. This hurts low-income families who are struggling to save for retirement, people who are doing the right things to prepare for their future rather than solely depending on the government to do it for them.

The Democratic substitute does not extend enhanced small business depreciation expensing, so it increases taxes on small businesses, the very engines of innovation and growth and employment in this country.

The Democratic substitute does not include an extension of the reduced rates on capital gains and dividends. Without this extension, 24 million families will see a tax increase, including 7 million seniors who have benefited an average of $1,200 annually from that change. At a time when concern is growing about foreign investment in the United States, the Democratic substitute throws up barriers to Americans investing in America.

The Democratic substitute does include a tax increase on families and small businesses to pay for the bill. Many of these individuals are small businesses who do much of the hiring and buying in this economy.

The Democratic substitute bill leaves behind small businesses, omits low-income savers, and hurts families and seniors. At a time when home heating bills are rising and local property taxes are growing, why would the Democratic substitute take even more from the wallets and purses and piggy banks of the American taxpayer?

Mr. Speaker, the Republican tax reforms of 2001, 2003 and 2004 have created jobs, strengthened our economy, and increased Federal revenues in the process. They quantifiably aided in shortening and curtailing the severity of the recession of 2000 and 2001. They buoyed the economy through major terrorist attacks, devastating natural disasters, and a global war on terrorism. Now is not the time to increase taxes on the American people. Failure to pass this bill would result in higher taxes on seniors, savers, small businesses, and farmers. We must continue the policies that grow our economy and keep our tax bills from rising.

I urge my colleagues to support this resolution and the underlying bill, the Tax Relief Extension Reconciliation Act.

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

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

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, just 2 weeks ago, the majority forced a budget vote by two votes to cut $50 billion from education, from health care, from foster care, child support, and a host of other vital programs. They claimed that they were simply eliminating waste and promoting fiscal responsibility and, most importantly, curbing our national debt.

But today, they want us to agree to a tax cut for $56 billion. If we take away the $50 billion in the budget tax cuts, but we add $56 billion in tax giveaways, we end up with more debt, not less. In fact, we end up adding $6 billion to the largest deficit in our country's history, the one created by this Republican Congress.

Now, if reducing the deficit is not a priority, what has made the majority's agenda? How we control the purse strings in our hands reveals who we work for. Of the proposed $56 billion in cuts, 50 percent, that is, $28 billion, will go to the superrich, those among us who need it the least. This bill is for them, the men and women among us who earn more than $1 million a year, a mere fraction of 1 percent of Americans.

At the same time, the middle class will continue to be squeezed, while workers who make $40,000 or less, in other words, those who need help the most, will receive 1 percent of today's cuts.

That is what this is about. Does the Republican Party really think the American people do not see what is going on here?

What this bill shows us today is that Republicans care about entrenching privilege, the work of a corrupt and inefficient government, all while talking about tough choices and cutting government waste; but their rhetoric does not add up.

If they were serious about making government work better, they would fulfill their responsibility to conduct proper congressional oversight and ensure that the money we do spend is spent efficiently.

They would look for the $9 billion misplaced during Iraq reconstruction, and we have tried time and time again to have amendments approved that would do just that. Now, the loss of $9 billion in Iraq is what I call government waste, but there is not a court in this country which could find Republicans guilty of enforcing accountability in government. There would not be the evidence to convict them. Instead, they cut social services for the needy and send the savings to the rich.

Have tax cuts for the rich become the sole agenda of the majority party? Sadly, in the face of numerous challenges from both abroad and home, this increasingly seems to be the case.

Their solution to rehabilitating the lives of those devastated by natural disasters? Cut taxes for the rich. Their solution to curbing an out-of-control national debt? Cut taxes for the rich.

My friends on the other side of the aisle talk about the agenda of reform, but they have controlled the Congress for over 10 years, and now they are the status quo. As much as they may want to say they are the solution, we know that they have become the problem.

If they were committed to solutions, they would not funnel money to the rich while they leave the working middle class to fend for themselves, all while cutting education and health care programs and adding billions to the massive debt that is crushing this Nation. Let me point out that the 400,000 persons who lost their food stamps in the budget cuts and over 300,000 children who lost their breakfast programs, that money is being used today to finance these tax cuts.

The pursuit of such an agenda violates the trust our constituents have invested in their elected representatives, and it is an abdication of the most fundamental responsibilities of this Congress.

America can be better than this. We can do better than selling out the vast majority of our citizens so that Congress can give another tax cut to a tiny minority. We can do better than increasing our staggering national debt and calling it fiscal responsibility.

This leadership has forgotten what made America great. It has forgotten what made the 20th century the American century, which was investment in the middle class, investment in society, investment in education, investment in opportunity, investment in the future, not investment in the rich.

It is time for a new direction. Together, America can do better than what this leadership is proposing here today.

I urge my colleagues to defeat this bill and defeat this rule.

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

Mr. PUTNAM. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. Mr. Speaker, I would like to thank my friend and colleague on the Rules Committee for allowing me this opportunity to speak on behalf of this rule and the underlying bill, H.R. 4297, the Tax Relief Extension Reconciliation Act.

Today, each and every Member of this House is taking a test before the American people. This test has one question, and simply enough, it is even multiple choice. The question is: Who do you trust more to spend your hard-earned money? Is it, A, the Federal Government and its bloated bureaucracy; or is it, B, the American people? Well, Mr. Speaker, the correct answer, obviously, is, B, the American people.

□ 1045

However, those who vote against this rule and vote against this tax relief bill are choosing to trust the Federal Government and its bloated bureaucracy over the people who pay the taxes and are the engine of a job-creating economy.

Now, Mr. Speaker, the opponents of this tax relief will try to obscure and

confuse this debate by mischaracterizing this House's previous vote on budget reform and reduction with claims of, and I have already heard it, robbing the poor to pay the rich. Well, Mr. Speaker, these claims are simply untrue.

In fact, today's reconciliation package includes extensions of tax incentives that provide work for many low-income Americans, such as the Welfare to Work Tax Credit and the Work Opportunity Tax Credit that encourages businesses to hire and pay people and families on public assistance, high-risk youths, qualified veterans, and people who receive food stamps.

So a vote against this tax relief package is tantamount to a vote for an economy under which it is acceptable and even preferred to give the poorest individuals only one option, government dependency, a dependency that empowers bureaucrats and politicians over people and places political power before economic liberty and opportunity.

Mr. Speaker, I would also like to add that since this tax relief package includes mostly extensions of current tax cuts and credits, a vote against this bill is a vote simply to raise taxes. No ifs, ands, or buts, those who vote against this bill are voting in front of the American people to raise taxes. The opponents of this bill would raise taxes on middle-income Americans, rich Americans, poor Americans, investors, savers, entrepreneurs, small business owners, universities, veterans, and even people who are trying to clean up the environment. All of these people will receive a tax increase if this bill is not passed and signed into law.

So, Mr. Speaker, each and every Member of this House has an opportunity today to go on record and tell the American people where they stand on raising taxes and whether they trust the American people with their own money.

In conclusion, I would like to encourage my colleagues to support this rule and the underlying tax relief extension package for the sake of economic growth and for the sake of the American taxpayer.

Ms. SLAUGHTER. Mr. Speaker, I am pleased to yield 4 minutes to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. It is extraordinary. If you assert something that is not true, it is true on the floor of the House. There is no truth test here. Cut taxes for the rich, it will stimulate the economy. Put the little people to work who will pay taxes for their job cutting the lawns or washing their yachts. That is the argument we are hearing from that side of the aisle. Trickle down economics works, they tell us.

Unfortunately, that is not what most Americans find with their real incomes stalled out over the last 5 years. No, trickle down economics does one simple thing: It rewards the benefactors of the Republican Party.

Let us just look at one of the elements of the ''not raising taxes today.'' It would be let the tax cuts in dividends on stocks. Now, I go to my town meetings and I say, everybody who has dividend paying stocks, raise your hand. And I have a lot of people coming to my town meetings, but usually it is one, maybe two. And I think that is pretty much the same across America. But the millionaires and, yeah, the billionaires, they have a lot of dividend paying stocks. In fact, their tax cuts average $127,000, while the average family averaged $800.

Now, that is not even talking about the dividend tax. Let us talk about the dividend tax. This bill will extend the cut in dividend taxes. Now, the American Enterprise Institute, no liberal bastion there, they just issued a report and it says the dividend tax break has not generated more business investment or jobs or productive economic activity but it has enhanced investor wealth. That is what this is about. This bill is to enhance investor wealth.

Now, they have a newfound concern about the sea of red ink they have created, the 60 percent increase in our debt in the last 5 years. So a couple of weeks ago we jammed through a bill at 2 a.m. in the morning that cut things like student financial aid, Medicaid, health care to poor people, dumping that burden on the States; foster care, long-term care, the school lunch program. Those little kids are just eating too much. They are chowing down. They are going to help the obesity problem on this side of the aisle by starving kids.

Now, what are we buying with those cuts? Well, the student loan cuts, they say, oh, we are not cutting student loans, we are just charging them more for the loans. Right, you are not cutting student loans, you are just increasing their debt burden. You are not cutting the loans, you are just jacking up the interest rate, charging them twice as much to take out a loan, and charging them a special new fee to get a very high fixed interest rate, something they can get now for free at a lower rate.

But they are not whacking the students too hard, only $14 billion. And what do we get for that $14 billion? An extension of the dividend tax cut. That is great. So now the wealthy will be able to buy more yachts to float on the sea of red ink that the Republicans have created. They will be able to hire more help around the mansion. That is trickle down economics.

They talk about how great the economy is doing. Here is a few facts. Unemployment rate, yes, it is recently down, but it is up eight-tenths of a percent over when the Republican administration took charge. There is 1.6 million more unemployed workers than when George Bush took office. There is the slowest private sector job growth of any administration since Herbert Hoover. He is doing better than Herbert Hoover. That is great. The largest projected surpluses turned into the largest projected deficits, with $4.2 trillion more debt in 2008.

Now, that is the grand success of trickle down. And they come out here and assert baldly that giving tax cuts to rich people will not only stimulate the economy, put people to work, but that it will reduce the deficit. Sure. You really believe that? I do not think so. The American people do not believe it.

What you are doing here is giving very generous tax cuts to the people who give you very generous campaign contributions.

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

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

Mr. DREIER. Mr. Speaker, I rise in strong support of this rule, and I thank and congratulate my great friend from Florida, such a hardworking member of the Rules Committee, and I thank all those involved in this effort, which I hope at the end of the day will be bipartisan. Because we all know that of that proverbial saying that everyone is entitled to their own opinion but not their own facts.

As I listened to the pathetic, and that is really the only way you can describe it, the pathetic old class warfare, us versus them argument, cleaning yachts and mowing lawns and all this stuff. The facts are 56.9 million American families, 56.9 million American families, nearly 60 percent of American families are members of the investor class. The investor class, people who have some kind of investment. And, Mr. Speaker, 30 percent, 30 percent of the members of the investor class earn less than $50,000 a year. Now, those are the ultra rich we continue to hear about who might benefit from job creations.

I will tell you that if you look at the arguments that were made, and I listened to my good friend from Rochester, Ms. SLAUGHTER, in her opening statement in which she talked about investing in all these important things, of course we all want to invest in the future. But she said, do not invest in the rich. Well, the fact of the matter is we are encouraging investment with this because we want to do everything we possibly can to make sure that those people who are out there creating jobs have the incentive to do that.

And we also need to look at long-term planning. People can stand up and malign the dividend cuts and the capital gains cuts, but I actually believe we should have no tax on capital gains at all. It is a double tax and, frankly, it discourages growth.

I will never forget a few years ago visiting New Zealand, which is certainly a left of center government. The prime minister there, Prime Minister Clark, well, let us just say she is not what you would call center right. But I met with a number of people in New Zealand, and I raised with them the

prospect of establishing a capital gains. They have zero capital gains there. They said that they did a study in New Zealand and found that the mere establishment of a capital gains tax would be devastating to the economy of New Zealand. And all we are saying is we should allow people for another couple of years to plan at a 15 percent capital gains rate.

Mr. Speaker, we know, as we look at the arguments that were provided in 2001, 2002, 2003, that our wonderful colleagues on the other side of the aisle regularly said the following things: Number one, if you put into place these tax cuts, the economy is going to head straight into the tank.

And I listened to my friend from Oregon go through the Herbert Hoover argument, and I thought we had sort of beaten that one back in the 2004 campaign when in the last 3 years we have seen the creation of 4½ million jobs under the payroll survey guideline and 5 million jobs under the household survey guideline. I thought we had pretty much beaten that argument back, but obviously, they are continuing to try and dredge this up.

They said that if we put into place this tax cut that the economy would go into the tank and the deficit would go sky high. We know the exact opposite has been the case. We, in fact, have had a reduction of $94 billion in the deficit simply because of economic growth, simply because of the enhanced flow of revenues to come into the Federal Treasury.

Now, obviously, we are not going to see probably the best improvement in the deficit number next year because of Hurricane Katrina and other costs that we have faced, and we are doing everything we can, so many of us, to try to rein in mandatory spending with the reconciliation process we have gone through, and to try to do what we can on both discretionary as well as mandatory, as I said. But the fact of the matter is, Mr. Speaker, the single most important thing that we can do to deal with the challenges of investing in all those things that Ms. SLAUGHTER mentioned, is to make sure that the economy continues to grow.

I can think of nothing, nothing worse for the potential future growth of our economy than to not pass this measure. So if you believe in bringing unemployment down even further, if you believe in seeing the already record level of minority home ownership go even higher, if you believe in enhanced productivity and incentives for that, it is absolutely essential that this rule and this legislation be passed.

So I commend it to my colleagues. The tired old arguments of the past are not carrying any weight at all with the American people, I am happy to say. They get it. They understand it. So that is why we should have Democrats join with Republicans in doing the right thing here.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentlewoman from New York for yielding me this time.

Mr. Speaker, once again, I rise in disbelief about what the House is about to do today. It is my belief that we are moving down the wrong road.

Before we left for Thanksgiving, the Republican leadership twisted arms to pass a bill slashing funding for vital programs that benefit the neediest Americans. Some might say that the bill was callous. I say that the bill was immoral. Today, it is still immoral, uncaring, and without compassion.

But now, to add insult to injury, we have returned to Washington so that the Republican majority can line the pockets of those at the very top. That is right, they cut vital programs and services that benefit hardworking, low- and middle-income Americans, and with the money saved they are giving more tax cuts to the wealthiest of the wealthy. And in the process of robbing working families to give to the rich, we are ballooning the debt, saddling our children and grandchildren with the bill.

Everybody loses under this bill. Everybody. That is except the top one-fifth of 1 percent. Some might call them the super rich; apparently the majority calls them donors.

It is unbelievable. It is unbelievable that we are doing this during this season. The holy season. It is unreal. This season, of all seasons, you would think they would not have the audacity, the gall to pass such a disgraceful and shameful piece of legislation. Oh, but they do.

Where is our compassion? All of the great religions of the world speak to the issue of taking care of basic human needs. During this season, the question must be asked: What would the great teacher do? What would Jesus do?

We are saying we are people of faith, and yet during this most holy season we do this? Have we lost our way? How long, but oh, how long will we continue to take care of those at the very top and not those in the middle and those at the very bottom? How long, but oh, how long?

This bill is not fair. It is not right. It is not just. As a Nation and as a people, as a Congress, we can do better. Mr. Speaker, I appeal to my colleagues to reject this shameful bill.

□ 1100

Mr. PUTNAM. Mr. Speaker, I yield 1½ minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Speaker, I rise in strong support of this very modest tax relief proposal and the rule that brings it to the floor, and especially in support of the deduction for State and local sales taxes which is so very important to my home State of Tennessee and many millions of people throughout this Nation.

Every day we read stories about how wasteful the Federal Government is, and certainly it has been proven over and over again how the least efficient, most wasteful way to spend money is to turn it over to the Federal Government. Every dollar we can keep in the private sector helps to create jobs and lower prices. And who benefits the most from job creation and lower prices: the poor and the lower-income and the working people. The wealthy are always going to be all right, but this is a bill that helps the poor and the lower-income and the working people more than anybody else.

It contains breaks for the rich like tax deductions for teacher classroom expenses, expenses that classroom teachers pay out of their own pockets. It contains another deduction for the rich for deducting tuition expenses. That is certainly a deduction for the wealthy; and, of course, I am saying that sarcastically.

It contains expensing for brownfield environmental cleanups, something that is very good for the environment. It contains breaks for our veterans and those who have been and are in combat at this time. It contains increases for small businesses, and certainly that is something that is very, very important to millions of people throughout this country.

Mr. Speaker, this is a very modest proposal. I think it is about a 2 percent tax break. I urge passage of this bill.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. KUCINICH).

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

What the majority is seeking to accomplish here is another transfer of wealth from the great mass of Americans to a privileged few. This bill would raise taxes on 17 million American middle-class families by as much as $640. Millionaires get tax cuts as much as $32,000. People who bet on the market are going to see their taxes cut or reduced, while workers are not going to see that kind of relief because this bill is about a transfer of wealth upwards, a transfer of wealth from the poor and the middle class to the wealthy. More than half of the American taxpayers will get less than $30 out of this so-called tax cut; yet that is what this administration's strategy has been all about.

There has been no trickle-down benefits from their previous tax cuts of over a trillion dollars. Americans' savings have disappeared, credit cards are maxed out, home equity is exhausted, foreclosures have increased, pension funds are disappearing, health care benefits for many have been cut or eliminated. There are 45 million Americans without health insurance. The wealth in this country is being transferred upward, and as wealth accelerates upward, the quality of our democracy is deteriorating. This bill continues that trend with spending cuts suffered by college students, suffered by senior citizens and children and family farmers.

My colleague Congressman LEWIS asked what would Jesus do. We know his teachings. He said whatever you do for the least of the brethren, you do for the Lord. This bill does not do for the least. It does for those who have the most. There is a transfer of wealth to the great mass of Americans to a few as a matter of policy here. It is tax cuts, it is the war, it is all of the spending that is accomplished by our majority brothers and sisters goes to help those who are wealthy become wealthier. That is not how you can maintain a democracy.

The tax system is central to making sure that we stay a democracy, and yet what we see here is the beginning of a plutocracy by continuing the acceleration of wealth upwards. We need to take stock and assessment of what these tax policies are doing to undermine people in this country, of what these tax policies are doing to make it impossible for a middle class to survive, of what these tax policies are ignoring in terms of trying to protect America's manufacturers. There are auto workers and steel workers who are looking for a way for businesses, their industries, to survive; and instead we are worrying about accelerating the wealth upward.

We need to take stock of this. This is not only a fiscal question. It is a moral question, and the arc of our moral fiber here is going to be determined on whether or not we can stand up to this challenge about accelerating the wealth upwards.

Mr. PUTNAM. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, unless we enact H.R. 4297, Americans will receive a most unwelcomed Christmas gift from the Democrats: a huge automatic tax increase. This will cost families billions of their dollars and jeopardize millions of their jobs. We cannot sit idly by and let the Democrats do this.

Tax relief has already created more than 4.4 million new jobs; but if you raise taxes, you start taking these jobs away.

Mr. Speaker, let me tell you about a few of the jobs from my east Texas district that could be lost if the Democrats succeed in their tax increase plan today. Let me tell you about Hugh Dublin who owns East Texas Right of Way in Tennessee Colony, Texas. He specializes in the land-leasing business. Due to tax relief, his company has grown from two full-time employees to four full-time employees and four part-timers. His two new full-time employees are named Dan and David. They were unemployed, but now they are able to start new careers in a growing business.

The Democrats want to raise taxes on Hugh Dublin and his small business. They want to jeopardize Dan's and David's paychecks and replace them with welfare checks, and they call that compassion.

Eddie Alexander owns Triple S Electric in Henderson County, Texas. They are an electrical contracting business. For the first 3½ years he was in business, it was just him and one part-time helper. Since the passage of the President's economic growth plan, he has been able to hire two more additional employees named Jarad and John, both of whom were out of work but both of whom now provide homes for their families.

The Democrats now want to raise taxes on Eddie Alexander and his small business. They want to jeopardize Jarad's and John's paychecks and replace them with welfare checks; and this they call compassion.

Gill Travers owns Travers & Company. They are a home building company in Athens, Texas. Thanks to the housing boom created by President Bush's tax relief plan, Travers & Company has had to hire three new workers. Jan, who was previously unemployed, was hired to help clean up the job sites. Business is so good she had to turn around and hire Calvin and Christy. They were unemployed, too. The Democrats now want to raise taxes on Gill Travers and his small business. They want to jeopardize Jan, Calvin, and Christy's paychecks and replace them with welfare checks; and this they call compassion.

Mr. Speaker, tax relief has created over 4.4 million new tax-paying jobs of the future; 4.4 million hard-working Americans can now provide for their families this Christmas. More than just providing food and shelter, these jobs are providing newfound hope and opportunity. The Democrats would take all of this away.

We cannot go back. We must prevent this massive Democrat tax increase. We must support jobs and support the rule for H.R. 4297.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Speaker, since I first came to Congress, I made it a priority to restore sales tax deductibility for my constituents in Washington State. Last year, working with a bipartisan coalition lead by Mr. KEVIN BRADY and myself, we did successfully do that. This deduction saved Washington State taxpayers over $500 million last year alone.

Unfortunately, the sales tax deduction will expire at the end of this year, and we must extend that deduction. Accordingly, I applaud both the Democrats and the Republicans for including in their packages a 1-year extension. Frankly, I would like to have made it a permanent extension.

Nevertheless, I am concerned at a time of war in the aftermath of this country's most devastating natural disaster how we can in good conscience support a tax bill that will add at least $20 billion to our national debt to provide a tax break that goes predominantly to the wealthy, and by that I mean the capital gains and dividend tax cut.

Earlier, the distinguished chairman of the Rules Committee said the American people get it. I have to say, I just had five town halls in my district; the American people do get it. They get that this bill, the Republican majority bill, is passing on enormous deficits to our children. Debt to our children, that is what we are doing.

The Democratic substitute, by comparison, is revenue neutral. It extends the tax breaks that benefit small individual taxpayers and small businesses, and it extends sales tax deductibility without increasing the deficit. What is more, the Democratic substitute protects taxpayers against the AMT hit as people's income brings them into the AMT category.

If my friends on the other side of the aisle want to say if we do not extend the dividend and capital gains tax cut, we have an automatic tax increase, why not say the same about the AMT fix? You have not chosen to put the AMT fix in your bill. Does that not constitute an automatic tax increase? I believe it does. The Democrats have prevented that.

The difference is this: when Republicans talk about choices, the choices they are talking about is whether the most wealthy people in this country will choose to take their earnings, or winnings, from capital gains or dividends. The poor people in this country have to choose between heating their houses and providing food for their children.

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

I would remind the gentleman that AMT relief is not in our package because it passed yesterday in the House by a vote of 414–4. That is why it is not in this package, because it passed yesterday.

We all talk about what we do here in Washington as it relates to the economy. The bottom line is that the economy is doing quite well because Americans are out there working hard every day. A lot of them are getting up before the sun comes up and not getting home until the sun goes down, bringing in food and fiber from our fields, manufacturing the devices that we take for granted each and every day in our manufacturing facilities, and working hard in an expanding and robust services economy, going into classrooms, going into hospitals, building houses that are part of the American Dream for more and more Americans. In fact, a record number of Americans now have achieved that piece of the American Dream through homeownership.

So it is ordinary Americans doing every day what they do best that is allowing this economy to move forward, and our role in that is to create the climate that allows them to maximize that opportunity, to put in place policies that keep inflation in check, keep interest rates low, and reduce the tax burden in their lives.

Today, more corporations pay dividends than at any other time. In fact,

there has been a 69 percent increase in S&P 500 companies that pay dividends. It is not only wealthy people that are benefiting from dividend taxes being cut and the corresponding increase in companies paying dividends. In fact, it typically is your retirees who are owning those stocks that they have invested in their whole lives that are paying the dividends to supplement their retirement income.

Prior to us changing that policy, the number of companies paying dividends over the last several years had actually gone down by 45 percent; and since the change in the tax that lowered the dividend tax, it went up almost 70 percent. That is a clear indication that what we did here in that small policy changed behavior in the business world to the benefit of all Americans: poor Americans, seniors, middle class, professionals, people who make six figures, people who make five figures. Everybody benefited from that. In fact, disproportionately, seniors benefited from that.

Everybody benefits from the fact that unemployment is now at 5 percent. That is indisputable. Would we like to see it go lower? Of course. Would we like to put policies in place that do that? Of course. Does raising taxes on the American people help lower the unemployment rate? I do not think so. Perhaps some on the other side of the aisle would disagree.

More Americans own stock today than ever before. This is not a class-warfare argument: 91 million individuals own stock in America. This bill puts in place a policy that encourages more Americans to invest in America. That, I believe, is sound economic policy.

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

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. BAIRD) to explain AMT.

Mr. BAIRD. Mr. Speaker, I am well aware of the issues with AMT. The issue with me is this: you have not paid for it; the Democrats have. What you are not talking about is you are passing deficit on to our kids. You are passing debt on to our kids.

I visited with high schools and had town halls last weekend, and people said they are desperately concerned about the size of the Nation's deficit and the size of the Nation's debt. The Democratic package is paid for; the Republican package is not. The Democratic package does support small businesses and low-income folks and supports the middle class. The Republican package, the bulk of the economic benefits from these tax cuts go to the people who need it least at a time when we are fighting a war and trying to recover from a disaster. I think that is a mistake.

We support tax cuts, but we would target them to the people who most need it; and you target them to the people who most want it, but least need it. That is the fundamental difference, and I think the American people see that difference.

□ 1115

Mr. PUTNAM. Addressing the gentleman's concerns, yesterday 414 Members of the House voted for AMT relief. I am unclear which piece of that the gentleman is referring to that the Democrats had that paid for that as it relates to that. And the gentleman, in reference to his concern about the deficit, which is legitimate and shared by all of us about the growth of the deficit, failed to point out that the deficit has gone down over $100 billion in the last year. The size of the U.S. deficit dropped $100 billion based on the strength of the economy.

And finally, to the gentleman's point, he illustrated and spoke very clearly and directly about the Democratic intentions with regard to tax policy. They want to pick and choose the winners in American society, and we want everyone, everyone on equal footing to have the opportunity to achieve their piece of the American dream. We do not propose to pick winners and losers in economic policy and tax policy. We say everybody has got a shot at making the most of their opportunities in this country. Everybody has got a shot at paying less in taxes on capital gains. Everybody has got a shot at paying less in taxes on dividends that are paid by companies that support all Americans. Everybody has got an opportunity to go to college through the tax incentives that are in there for higher education opportunities. Everybody has got an opportunity to achieve home ownership through economic policies that keep interest rates low and inflation in check. That is the difference, an opportunity for each and every individual, according to their own merits and their own hard work, and their own character and their own ability to get out there every day to do it. And the other side's proposal to pick and choose the winners in our society.

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

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, I rise in strong opposition to this $56 billion tax break, mostly for millionaires in our country. Forty-five percent of this tax break goes to the ultra rich in our country, the top 1 percent average getting $32,000 apiece in tax breaks out of this bill. So how do they get the money? Well, last month, the Republicans lectured us on the need to have fiscal discipline. They had to cut Medicaid for the poorest seniors and kids. They had to cut student loans for children across our country. They had to cut the food stamp program for kids. But guess what? The amount of money that they were cutting on food stamps and Medicaid and health care services and student loans is exactly equal to the amount of money they are giving in tax breaks to millionaires. In other words, every dollar that is cut out of the Medicaid program is going to be put over here into tax breaks for millionaires. $50 billion. $50 billion cut in Medicaid and student loans, $50 billion in tax cuts for the rich. For health care programs, as they cut the health care programs, it goes over here today on a tax cut for millionaires.

When they cut student loans the money comes from kids and it is going over here to millionaires. And by the way, they are $6 billion short, so they are just going to increase the deficit. Why? So they can give more tax breaks over here to millionaires. More tax breaks for millionaires. Cut poor people, cut children, cut Medicaid benefits, cut the money that we are going to be giving to seniors, to keep them in nursing homes with Alzheimer's and with Parkinson's disease, just keep cutting it. Give more tax breaks to the millionaires. Something is going to have to be cut.

They cut the poorest. They cut the most vulnerable. They cut the youngest. And where does the money go? The money goes to millionaires. That is what this whole thing is about. It is one big scam. You know, there is an old joke. The priest goes up into the pulpit on Sunday and he says, on Wednesday, Father O'Brien will lecture on the evils of gambling in the church hall. On Thursday in the church hall, bingo.

Last month the Republicans lectured us on the need for them to cut poor people to do something about the deficit. Today, bingo. Tax cuts for the millionaires. Every millionaire is a winner in America under the Republicans' plan. But the money is all coming from the poorest people in our country and it is going over into the hands of those who need it least. Vote no on this Republican atrocity in our country at a time when the poor need it the most and the rich need it the least.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD). The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the rules of the House.

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

Recognizing that volume does not always make up for sound policy, I would just pose the question as to why the Democratic substitute leaves out many of the people that the gentleman purported to speak for. The Democratic substitute does not include the savers credit for low income families, those low income families who are contributing to IRAs and pension plans, scrimping and saving every day, every week, every month to put aside money to prepare for their own retirement, to

prepare for their own retirement security so that they are not solely dependent on the government. Their substitute is silent on that point.

Why are they silent on the point of assistance for small businesses, allowing them to increase section 179 expensing so that they can get that new piece of equipment, add the new line, which means more employees, more growth, more purchasing and a better economic ripple effect in the community? Why do you leave out small businesses along with your low income savers?

Why do you leave out the part that impacts domestic manufacturers who finance sales of large equipment to foreign customers?

We hear an awful lot of concern about outsourcing. Here you have American-based companies doing everything they can to trade in an increasingly complex globalized economy, and you leave them out of your substitute.

Why do you leave out the parts that deal with capital gains and dividends? Why is it only about the wealthy and not about every one of those 91 million Americans who own stock, who are trying to invest in America, who understand that markets offer them an opportunity to grow and create opportunities that they may not have had otherwise?

Why are all of those 91 million Americans who participate in our capital market so bad? Why are they such awful people that they ought to be singled out and excluded from the tax policy that you have created?

Why do you leave out the tax credits for cleaning up brownfield sites? That is something that I have always thought was the cornerstone of the Democratic Party, cleaning up our environment. It is certainly something that we are proud of our record on with Teddy Roosevelt and our conservation effort. We believe that you can use the Tax Code to encourage businesses to go into areas that formerly were environmentally damaged sites and clean them up and create jobs and opportunity in otherwise blighted areas. This is an issue that impacts disproportionately urban areas. Why would we leave them out? The Democratic substitute is silent on these points.

It is important that we move forward together with sound economic policies that encourage people to invest and save and be a part of this ever complicated globalized economy, not pick and choose the winners and single out individual cases of success to be punished, which is what their bill seeks to do.

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

Ms. SLAUGHTER. Mr. Speaker, I have one remaining speaker. May I inquire if my colleague is about ready to close?

Mr. PUTNAM. I have one remaining speaker as well.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, much of the rhetoric coming from the majority in defense of this sinful package is pure fiction. So let us discuss it in those terms. You know, Charles Dickens has written perhaps one of the most famous pieces of fiction discussed at this time of year, the holiday season, A Christmas Carol. The lesson of Christmas Carol, Scrooge, this miserly man, very, very well fixed financially that chose not to give to others. And we know that in the course of this beautiful story the ghosts of Christmas past help him reflect upon the paucity of his life, and in the end he has a new spirit of community, helping others, including the Cratchett family, with the crippled son, Tiny Tim.

Well, I think that what the majority wants to do is rewrite the Christmas Carol. It is probably going to be titled ''A Christmas Carol II, Revenge of the Scrooge.'' And in this Christmas Carol, Scrooge, sitting in his mansion, contemplating his wealth, wants more. And rather than be challenged as to the paucity of his inclination, we have a Republican majority, bought and paid for, that is all too eager to placate the most selfish whim of Mr. Scrooge.

And so, as the story unfolds, there is more and more for Scrooge, and taking, from the very beginning, a low base, less and less for Mr. Cratchett who loses his job when it is outsourced overseas, tries to find something at minimum wage which has not been raised since 1997, and Tiny Tim, Tiny Tim is left out all together.

Let us ask ourselves some basic questions about this. After passing a $31 billion tax reduction yesterday out of this House, do we really want to add an additional $56 billion without having it paid for?

Look at this. This shows that we are north of $8 trillion in accumulated debt, that the average share is $27,000 of debt per American.

You know, another Christmas story talks about naughty children getting a lump of coal in their stocking. Well, this majority gives every child $27,000 of debt, debt that will fall on their shoulders when the baby boomers retire with this debt woefully unpaid.

The second question, do we need it? You know about half of this package today, for all the talk about how desperately it is needed, does not take effect until 2009 and 2010. Existing Tax Code makes the very provision that they are talking about in 2006, in 2007 and in 2008. It is there for the next 3 years. They are talking about driving us deeper in debt today, cutting programs that help people today so that we can deal with something that happens in 2009 and 2010.

Next question. Is it fair? Well, in looking at who gets what under this bill, you know, most of the people in this country, 55 percent, earn less than $40,000. They will come out on average $7, $7 per under this dividend and tax cut provision. One out of 500, one out of 500 taxpayers, the most affluent of the 500, one out of 500 get nearly half of this bill. And they will average, per taxpayer, more than $30,000 back. So in this Christmas season, we are hammering on programs that help those who need help.

We are passing a tax package that gives nothing, virtually, to most under this capital gains dividend tax cut provision, and we are absolutely loading it up for the wealthiest few in this country. This is Christmas Carol II. This is Revenge of the Scrooge. This is totally bad policy, and it must be stopped.

I urge a no vote on this rule.

Mr. PUTNAM. Mr. Speaker, I yield 3 minutes to the distinguished chairman of the Ways and Means Committee, the gentleman from California (Mr. THOMAS).

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

Mr. THOMAS. Well, I guess we are going to be telling Christmas stories. Rather than fiction, I would rather deal with fact. Yesterday 414 Members of the House voted to assist a group who, on average, are far richer than those who receive dividends and cap gains. There were four no votes. All four of them were on the Democratic side of the aisle. And I respect those people for casting what I believe was a sincere vote. But out of the 188 Democrats who voted aye, I just have to point out that my friend who just finished speaking, who is on the Ways and Means Committee, protesting the amount in this vote, voted aye. Some of the other folks, just let me run down the list alphabetically, which tends to touch on LOWEY, LYNCH, MALONEY, MARKEY, you heard him, MARSHALL, MATHESON, MATSUI, MCCARTHY, MCCOLLUM, MCDERMOTT, all of them voted to assist those individuals in this society that are far richer, on average, than many of those seniors who, investing prudently over the years, receive dividends and capital gains on their investment in deferred consumption that they need, in their senior years.

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So as we listen to the rhetoric and the term ''millionaire'' is repeated over and over again by my friends on the other side of the aisle, it begins to be a question of whose millionaire are they talking about. If one is a millionaire in Massachusetts, it seems, we want to protect them. If one is a millionaire in New York, we want to protect them.

At some point the rhetoric, the fiction, has to be compared to the truth. The truth is 188 Democrats, every Democrat member of the Ways and Means Committee, voted to assist people yesterday that are far richer on average than the individuals who receive dividends and cap gains. That is not a Christmas story. That is the truth.

Ms. SLAUGHTER. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, the gentleman picked a heck of a time to lose his voice here now.

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

I thought the gentlewoman from New York indicated she had one final speaker, and that final speaker spoke, Mr. POMEROY.

Mr. RANGEL. I am terribly sorry. I will take it up then when we have the opportunity.

Mr. THOMAS. I was asking the gentlewoman from New York.

Ms. SLAUGHTER. As it happens, I have extra time, and I yielded to Mr. RANGEL to respond to your comments.

Mr. THOMAS. Notwithstanding the equal time, Mr. Speaker, if the gentlewoman says it is a final speaker, we normally honor that.

The SPEAKER pro tempore (Mr. LAHOOD). The gentleman from New York is recognized for 3 minutes.

Mr. RANGEL. Mr. Speaker, I do not want to get technical about this. I just want to set the record straight, and that is that we all agree that the alternative minimum tax is an unfair tax on people because it was not planned by the Ways and Means Committee and by the Congress. So, of course, we thought yesterday and we think today that these people, who through inflation were thrown into this category, should be protected. And that is why we were so disappointed that the Republicans, by party line, rejected the Democrats when we were doing the bill in the committee from not being included in the reconciliation bill.

Now, we all know that the bill that we passed yesterday on the suspension calendar is not protected like this $56 billion is protected today. As a matter of fact, people should know that it may appear to be a technicality, but the only way that this alternative minimum release bill that we passed yesterday in the suspension calendar is that not one of the 100 Senators over there objects. We need the consent of every Senator to provide the AMT bill with protection. That is not so. If the Republicans were so concerned about these people who got caught into this trap in getting the alternative minimum tax treatment, it would be placed in the reconciliation bill.

So I do not think you ought to bring up things when the facts are against you. It is true that you have decided that those people who want relief on capital gains taxes and corporate dividends, even though they do not get hit until 2009, that you are prepared to have the people who get by the AMT this year or next year, rather, in their tax burden to get hit at the expense of those people that are much richer and much smaller in number.

So I really think that in this holiday season, we are doing enough damage without distorting the truth. You have had your priorities in terms of protecting the AMT people or protecting the group that is going to be allegedly protected today, even though they do not need any, not today, not next year, and not the year after.

So those are the facts, and I thank the gentlewoman from New York for affording us the opportunity to at least, in this holiday season, whether we like the bill or not, let truth prevail.

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

I would like to urge a ''no'' vote on the rule, a ''no'' vote on the bill, and say to every Member of the House of Representatives if they want the AMT fix protected, the only way in the world they can do it today is to vote for the Democrat substitute.

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

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

Mr. Speaker, the debate here has been consumed by the discussion of capital gains and dividends, and that is a big part of this and that is appropriate.

But the AMT relief component, which has been the source of much recent debate, we dealt with yesterday. We dealt with it on a vote of 414–4, overwhelming, bipartisan, on the suspension calendar, which I will remind Members under the rule, requires a two-thirds vote to pass. It is out of here. The AMT relief bill moved through here in an expeditious manner on a bipartisan basis.

What this bill does is provide continued assistance for those people who are saving to go to college. Middle- and low-income students, this is their shot at going to college. Assistance for those who are saving for retirement, seniors, low income, saving through an IRA and a pension plan for retirement. Ten States that do not have a State income tax that want the same tax treatment that high-tax States have, this expires in 3 weeks unless we pass the bill. Just one of several important components in this tax relief package.

It is vitally important that we pass this and not allow taxes to go up 3 weeks from now on those 10 States, not allow teachers to lose their deductibility on classroom supplies, not allow low-income seniors and savers to be punished under the Democratic plan.

Mr. Speaker, I urge the Members to support the rule and support the underlying bill.

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.

Mr. THOMAS. Mr. Speaker, pursuant to House Resolution 588, I call up the bill (H.R. 4297) to provide for reconciliation pursuant to section 201(b) of the concurrent resolution on the budget for fiscal year 2006, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 588, the bill is considered read and the amendment in the nature of a substitute printed in the bill is adopted.

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

H.R. 4297

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

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Relief Extension Reconciliation Act of 2005''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title, etc.

TITLE I—EXTENSIONS OF CERTAIN PROVISIONS THROUGH 2006

Sec. 101. Allowance of nonrefundable personal credits against regular and minimum tax liability.
Sec. 102. Tax incentives for business activities on Indian reservations.
Sec. 103. Work opportunity credit.
Sec. 104. Welfare-to-work credit.
Sec. 105. Deduction for corporate donations of computer technology and equipment.
Sec. 106. Availability of medical savings accounts.
Sec. 107. 15-year cost recovery for leasehold improvements.
Sec. 108. 15-year cost recovery for restaurant improvements.
Sec. 109. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 110. District of Columbia Enterprise Zone.
Sec. 111. Possession tax credit with respect to American Samoa.
Sec. 112. Parity in the application of certain limits to mental health benefits.
Sec. 113. Research credit.
Sec. 114. Qualified Zone Academy Bonds.
Sec. 115. Certain expenses of elementary and secondary school teachers.
Sec. 116. Qualified tuition and related expenses.
Sec. 117. State and local general sales taxes.

TITLE II—EXTENSIONS OF CERTAIN PROVISIONS FOR 2 ADDITIONAL YEARS AND OTHER MODIFICATIONS

Sec. 201. Expensing of environmental remediation costs.
Sec. 202. Controlled foreign corporations.
Sec. 203. Capital gains and dividends rates.
Sec. 204. Saver's credit.
Sec. 205. Increased expensing for small business.

TITLE III—OTHER PROVISIONS

Sec. 301. Clarification of taxation of certain settlement funds.
Sec. 302. Modification of active business definition under section 355.
Sec. 303. Veterans' mortgage bonds.
Sec. 304. Capital gains treatment for certain self-created musical works.
Sec. 305. Vessel tonnage limit.
Sec. 306. Modification of special arbitrage rule for certain funds.

TITLE I—EXTENSIONS OF CERTAIN PROVISIONS THROUGH 2006

SEC. 101. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (2) of section 26(a) (relating to special rule for taxable years 2000 through 2005) is amended—

(1) in the text by striking ''or 2005'' and inserting ''2005, or 2006'', and

(2) in the heading by striking ''2005'' and inserting ''2006''.

(b) CONFORMING PROVISIONS.—

(1) Subsection (i) of section 904 (relating to coordination with nonrefundable personal credits) is amended by striking ''or 2005'' and inserting ''2005, or 2006''.

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2006.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 102. TAX INCENTIVES FOR BUSINESS ACTIVITIES ON INDIAN RESERVATIONS.

(a) INDIAN EMPLOYMENT TAX CREDIT.—

(1) IN GENERAL.—Subsection (f) of section 45A (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to taxable years beginning after December 31, 2005.

(b) ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATIONS.—

(1) IN GENERAL.—Paragraph (8) of section 168(j) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to property placed in service after December 31, 2005.

SEC. 103. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) INCREASE IN AGE LIMIT FOR FOOD STAMP RECIPIENTS.—Clause (i) of section 51(d)(8)(A) (relating to qualified food stamp recipient) is amended by striking ''25'' and inserting ''35''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2005.

SEC. 104. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2005.

SEC. 105. DEDUCTION FOR CORPORATE DONATIONS OF COMPUTER TECHNOLOGY AND EQUIPMENT.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contributions made in taxable years beginning after December 31, 2005.

SEC. 106. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking ''2005'' each place it appears in the text and headings and inserting ''2006''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended—

(A) in the text by striking ''or 2004'' each place it appears and inserting ''2004, or 2005'', and

(B) in the heading by striking ''OR 2004'' and inserting ''2004, OR 2005''.

(2) Subparagraph (A) of section 220(j)(4) is amended by striking ''and 2004'' and inserting ''2004, and 2005''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(d) TIME FOR FILING REPORTS, ETC.—

(1) The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2005, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

(2) The determination and publication required by section 220(j)(5) of such Code with respect to calendar year 2005 shall be treated as timely if made before the close of the 120-day period beginning on the date of the enactment of this Act. If the determination under the preceding sentence is that 2005 is a cut-off year under section 220(i) of such Code, the cut-off date under such section 220(i) shall be the last day of such 120-day period.

SEC. 107. 15-YEAR COST RECOVERY FOR LEASEHOLD IMPROVEMENTS.

(a) IN GENERAL.—Clause (iv) of section 168(e)(3)(E) (relating to 15-year property) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to property placed in service after December 31, 2005.

SEC. 108. 15-YEAR COST RECOVERY FOR RESTAURANT IMPROVEMENTS.

(a) IN GENERAL.—Clause (v) of section 168(e)(3)(E) (relating to 15-year property) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to property placed in service after December 31, 2005.

SEC. 109. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) (relating to oil and natural gas produced from marginal properties) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 110. DISTRICT OF COLUMBIA ENTERPRISE ZONE.

(a) PERIOD FOR WHICH DESIGNATION APPLICABLE.—Subsection (f) of section 1400 (relating to time for which designation applicable) is amended by striking ''December 31, 2005'' both places it appears and inserting ''December 31, 2006''.

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—Subsection (b) of section 1400A (relating to period of applicability) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) IN GENERAL.—Subsection (b) of section 1400B (relating to DC Zone Asset) is amended by striking ''January 1, 2006'' each place it appears and inserting ''January 1, 2007''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (2) of section 1400B(e) (relating to gain before 1998 and after 2010 not qualified) is amended—

(i) by striking ''December 31, 2010'' and inserting ''December 31, 2011'', and

(ii) by striking ''2010'' in the heading and inserting ''2011''.

(B) Paragraph (2) of section 1400B(g) (relating to sales and exchanges of interests in partnerships and S corporations which are DC Zone businesses) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(C) Subsection (d) of section 1400F (relating to certain rules to apply) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(d) FIRST-TIME HOMEBUYER CREDIT FOR DISTRICT OF COLUMBIA.—Subsection (i) of section 1400C (relating to application of section) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on January 1, 2006.

(2) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—The amendment made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 111. POSSESSION TAX CREDIT WITH RESPECT TO AMERICAN SAMOA.

(a) IN GENERAL.—Subparagraph (A) of section 936(j)(8) (relating to special rules for certain possessions) is amended by inserting before the period at the end the following: ''(before January 1, 2007, in the case of American Samoa)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 112. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Paragraph (3) of section 9812(f) (relating to application of section) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATES.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 113. RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Subparagraph (B) of section 41(h)(1) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(2) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) (relating to special rule) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2005.

(b) INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) (relating to election of alternative incremental credit) is amended—

(A) by striking ''2.65 percent'' and inserting ''3 percent'',

(B) by striking ''3.2 percent'' and inserting ''4 percent'', and

(C) by striking ''3.75 percent'' and inserting ''5 percent''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

(c) ALTERNATIVE SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—

(1) IN GENERAL.—Subsection (c) of section 41 (relating to base amount) is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

''(5) ELECTION OF ALTERNATIVE SIMPLIFIED CREDIT.—

''(A) IN GENERAL.—At the election of the taxpayer, the credit determined under subsection (a)(1) shall be equal to 12 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.

''(B) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

''(i) TAXPAYERS TO WHICH SUBPARAGRAPH APPLIES.—The credit under this paragraph shall be determined under this subparagraph if the taxpayer has no qualified research expenses in any one of the 3 taxable years preceding the taxable year for which the credit is being determined.

''(ii) CREDIT RATE.—The credit determined under this subparagraph shall be equal to 6 percent of the qualified research expenses for the taxable year.

''(C) ELECTION.—An election under this paragraph shall apply to the taxable year for which made and all succeeding taxable years unless revoked with the consent of the Secretary. An election under this paragraph may not be made

for any taxable year to which an election under paragraph (4) applies.''.

(2) COORDINATION WITH ELECTION OF ALTERNATIVE INCREMENTAL CREDIT.—

(A) IN GENERAL.—Section 41(c)(4)(B) (relating to election) is amended by adding at the end the following: ''An election under this paragraph may not be made for any taxable year to which an election under paragraph (5) applies.''.

(B) TRANSITION RULE.—In the case of an election under section 41(c)(4) of the Internal Revenue Code of 1986 which applies to the taxable year which includes the date of the enactment of this Act, such election shall be treated as revoked with the consent of the Secretary of the Treasury if the taxpayer makes an election under section 41(c)(5) of such Code (as added by subsection (a)) for such year.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 114. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) (relating to national limit) is amended by striking ''and 2005'' and inserting ''2005, and 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2005.

SEC. 115. CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain expenses of elementary and secondary school teachers) is amended by striking ''or 2005'' and inserting ''2005, or 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to expenses paid or incurred in taxable years beginning after December 31, 2005.

SEC. 116. QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) LIMITATIONS.—Paragraph (2) of section 222(b) (relating to applicable dollar limit) is amended by striking subparagraphs (A) and (B), by redesignating subparagraph (C) as subparagraph (B), and by inserting before subparagraph (B) (as so redesignated) the following:

''(A) 2006.—In the case of a taxable year beginning in 2006, the applicable dollar amount shall be equal to—

''(i) in the case of a taxpayer whose adjusted gross income for the taxable year does not exceed $65,000 ($130,000 in the case of a joint return), $4,000,

''(ii) in the case of a taxpayer not described in clause (i) whose adjusted gross income for the taxable year does not exceed $80,000 ($160,000 in the case of a joint return), $2,000, and

''(iii) in the case of any other taxpayer, zero.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made in taxable years beginning after December 31, 2005.

SEC. 117. STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) (relating to application of paragraph) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

TITLE II—EXTENSIONS OF CERTAIN PROVISIONS FOR 2 ADDITIONAL YEARS AND OTHER MODIFICATIONS

SEC. 201. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) EXTENSION OF TERMINATION DATE.—Subsection (h) of section 198 (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2007''.

(b) PETROLEUM PRODUCTS TREATED AS HAZARDOUS SUBSTANCE.—Paragraph (1) of section 198(d) (relating to hazardous substance) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) any petroleum product (as defined in section 4612(a)(3)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures paid or incurred after December 31, 2005.

SEC. 202. CONTROLLED FOREIGN CORPORATIONS.

(a) SUBPART F EXCEPTION FOR ACTIVE FINANCING.—

(1) EXEMPT INSURANCE INCOME.—Paragraph (10) of section 953(e) (relating to application) is amended—

(A) by striking ''January 1, 2007'' and inserting ''January 1, 2009'', and

(B) by striking ''December 31, 2006'' and inserting ''December 31, 2008''.

(2) EXCEPTION TO TREATMENT AS FOREIGN PERSONAL HOLDING COMPANY INCOME.—Paragraph (9) of section 954(h) (relating to application) is amended by striking ''January 1, 2007'' and inserting ''January 1, 2009''.

(b) LOOK-THROUGH TREATMENT OF PAYMENTS BETWEEN RELATED CONTROLLED FOREIGN CORPORATIONS UNDER THE FOREIGN PERSONAL HOLDING COMPANY RULES.—Subsection (c) of section 954 (relating to foreign personal holding company income) is amended by adding at the end the following new paragraph:

''(6) LOOK-THRU RULE FOR RELATED CONTROLLED FOREIGN CORPORATIONS.—

''(A) IN GENERAL.—For purposes of this subsection, dividends, interest, rents, and royalties received or accrued from a controlled foreign corporation which is a related person shall not be treated as foreign personal holding company income to the extent attributable or properly allocable (determined under rules similar to the rules of subparagraphs (C) and (D) of section 904(d)(3)) to income of the related person which is not subpart F income. For purposes of this subparagraph, interest shall include factoring income which is treated as income equivalent to interest for purposes of paragraph (1)(E). The Secretary shall prescribe such regulations as may be appropriate to prevent the abuse of the purposes of this paragraph.

''(B) APPLICATION.—Subparagraph (A) shall apply to taxable years of foreign corporations beginning after December 31, 2005, and before January 1, 2009, and to taxable years of United States shareholders with or within which such taxable years of foreign corporations end.''.

SEC. 203. CAPITAL GAINS AND DIVIDENDS RATES.

Section 303 of the Jobs and Growth Tax Relief Reconciliation Act of 2003 is amended by striking ''December 31, 2008'' and inserting ''December 31, 2010''.

SEC. 204. SAVER'S CREDIT.

Subsection (h) of section 25B (relating to elective deferrals and IRA contributions by certain individuals) is amended by striking ''December 31, 2006'' and inserting ''December 31, 2008''.

SEC. 205. INCREASED EXPENSING FOR SMALL BUSINESS.

Subsections (b)(1), (b)(2), (b)(5), (c)(2), and (d)(1)(A)(ii) of section 179(b) (relating to election to expense certain depreciable business assets) are each amended by striking ''2008'' and inserting ''2010''.

TITLE III—OTHER PROVISIONS

SEC. 301. CLARIFICATION OF TAXATION OF CERTAIN SETTLEMENT FUNDS.

(a) IN GENERAL.—Subsection (g) of section 468B (relating to clarification of taxation of certain funds) is amended to read as follows:

''(g) CLARIFICATION OF TAXATION OF CERTAIN FUNDS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), nothing in any provision of law shall be construed as providing that an escrow account, settlement fund, or similar fund is not subject to current income tax. The Secretary shall prescribe regulations providing for the taxation of any such account or fund whether as a grantor trust or otherwise.

''(2) EXEMPTION FROM TAX FOR CERTAIN SETTLEMENT FUNDS.—An escrow account, settlement fund, or similar fund shall be treated as beneficially owned by the United States and shall be exempt from taxation under this subtitle if—

''(A) it is established pursuant to a consent decree entered by a judge of a United States District Court,

''(B) it is created for the receipt of settlement payments as directed by a government entity for the sole purpose of resolving or satisfying one or more claims asserting liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980,

''(C) the authority and control over the expenditure of funds therein (including the expenditure of contributions thereto and any net earnings thereon) is with such government entity, and

''(D) upon termination, any remaining funds will be disbursed to such government entity for use in accordance with applicable law.

For purposes of this paragraph, the term 'government entity' means the United States, any State or political subdivision thereof, the District of Columbia, any possession of the United States, and any agency or instrumentality of any of the foregoing.

''(3) TERMINATION.—Paragraph (2) shall not apply to accounts and funds established after December 31, 2010.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to accounts and funds established after the date of the enactment of this Act.

SEC. 302. MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355.

Subsection (b) of section 355 (defining active conduct of a trade or business) is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE RELATING TO ACTIVE BUSINESS REQUIREMENT.—

''(A) IN GENERAL.—In the case of any distribution made after the date of the enactment of this paragraph and before December 31, 2010, a corporation shall be treated as meeting the requirement of paragraph (2)(A) if and only if such corporation is engaged in the active conduct of a trade or business.

''(B) AFFILIATED GROUP RULE.—For purposes of subparagraph (A), all members of such corporation's separate affiliated group shall be treated as one corporation. For purposes of the preceding sentence, a corporation's separate affiliated group is the affiliated group which would be determined under section 1504(a) if such corporation were the common parent and section 1504(b) did not apply.

''(C) TRANSITION RULE.—Subparagraph (A) shall not apply to any distribution pursuant to a transaction which is—

''(i) made pursuant to an agreement which was binding on the date of the enactment of this paragraph and at all times thereafter,

''(ii) described in a ruling request submitted to the Internal Revenue Service on or before such date, or

''(iii) described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

The preceding sentence shall not apply if the distributing corporation elects not to have such sentence apply to distributions of such corporation. Any such election, once made, shall be irrevocable.

''(D) SPECIAL RULE FOR CERTAIN PRE-ENACTMENT DISTRIBUTIONS.—For purposes of determining the continued qualification under paragraph (2)(A) of distributions made before the date of the enactment of this paragraph as a result of an acquisition, disposition, or other restructuring after such date and before December

31, 2010, such distribution shall be treated as made after the date of the enactment of this paragraph for purposes of applying subparagraphs (A) through (C) of this paragraph.''.

SEC. 303. VETERANS' MORTGAGE BONDS.

(a) ALL VETERANS ELIGIBLE FOR STATE HOME LOAN PROGRAMS FUNDED BY QUALIFIED VETERANS' MORTGAGE BONDS.—

(1) IN GENERAL.—Paragraph (4) of section 143(l) (defining qualified veteran) is amended—

(A) by striking ''at some time before January 1, 1977'' in subparagraph (A), and

(B) by striking subparagraph (B) and inserting the following:

''(B) who applied for the financing before the date 25 years after the last date on which such veteran left active service.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to financing provided after the date of the enactment of this Act.

(b) REVISION OF STATE VETERANS LIMIT.—

(1) IN GENERAL.—Subparagraph (B) of section 143(l)(3) (relating to volume limitation) is amended to read as follows:

''(B) STATE VETERANS LIMIT.—

''(i) IN GENERAL.—A State veterans limit for any calendar year is the amount equal to—

''(I) $53,750,000 for the State of Texas,

''(II) $66,250,000 for the State of California,

''(III) $25,000,000 for the State of Oregon,

''(IV) $25,000,000 for the State of Wisconsin, and

''(V) $25,000,000 for the State of Alaska.

''(ii) PHASEIN.—In the case of calendar years beginning before 2010, clause (i) shall be applied by substituting for each of the dollar amounts therein by the applicable percentage. For purposes of the preceding sentence, the applicable percentage shall be determined in accordance with the following table:

''Calendar Year:	Applicable percentage is:
2006	20 percent
2007	40 percent
2008	60 percent
2009	80 percent.

''(iii) TERMINATION.—The State veterans limit for any calendar year after 2010 is zero.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to bonds issued after December 31, 2005.

SEC. 304. CAPITAL GAINS TREATMENT FOR CERTAIN SELF-CREATED MUSICAL WORKS.

(a) IN GENERAL.—Subsection (b) of section 1221 (relating to capital asset defined) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) SALE OR EXCHANGE OF SELF-CREATED MUSICAL WORKS.—At the election of the taxpayer, paragraphs (1) and (3) of subsection (a) shall not apply with respect to any sale or exchange before January 1, 2011, of musical compositions or copyrights in musical works by a taxpayer described in subsection (a)(3).''.

(b) LIMITATION ON CHARITABLE CONTRIBUTIONS.—Subparagraph (A) of section 170(e)(1) is amended by inserting ''(determined without regard to section 1221(b)(3))'' after ''long-term capital gain''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and exchanges in taxable years beginning after the date of the enactment of this Act.

SEC. 305. VESSEL TONNAGE LIMIT.

(a) IN GENERAL.—Paragraph (4) of section 1355(a) (relating to qualifying vessel) is amended by inserting ''(6,000, in the case of taxable years beginning after December 31, 2005, and ending before January 1, 2011)'' after ''10,000''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 306. MODIFICATION OF SPECIAL ARBITRAGE RULE FOR CERTAIN FUNDS.

In the case of bonds issued after the date of the enactment of this Act and before August 31, 2009—

(1) the requirement of paragraph (1) of section 648 of the Deficit Reduction Act of 1984 (98 Stat. 941) shall be treated as met with respect to the securities or obligations referred to in such section if such securities or obligations are held in a fund the annual distributions from which cannot exceed 7 percent of the average fair market value of the assets held in such fund except to the extent distributions are necessary to pay debt service on the bond issue, and

(2) paragraph (3) of such section shall be applied by substituting ''distributions from'' for ''the investment earnings of'' both places it appears.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment printed in House Report 109–330, if offered by the gentleman from New York (Mr. RANGEL) or his designee, which shall be considered read, and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

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

The Chair recognizes the gentleman from California.

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

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

Mr. THOMAS. Mr. Speaker, this is a bill that does not deserve the kind of rhetoric that is being delivered so far, at least that which I have heard on the rule. This bill consists of extending current tax provisions. It virtually breaks no new ground. It merely retains those structures supported in committee, for example, in a bipartisan way, to allow people to continue to utilize current tax privileges.

I have a hard time when I listen to the rhetoric associated with the description of this bill when one of the provisions, for example, is the authority to issue qualified zone academy bonds for school modernization, equipment in high-poverty areas. I cannot believe my colleagues on the other side of the line are opposed to that. Above-the-line deduction for higher education expenses, in opposing this bill, I guess they are opposed to that. Continue the deduction for State and local sales taxes due to expire, I guess they are opposed to that.

I could go through and point out a number of items. For example, the work opportunity tax credits for hiring individuals who face barriers to employment, in addition to the extension. The age limit for eligible food stamp recipients is increased from 25 to 35. Maybe they are opposed to that.

I guess when we go through and examine these various provisions, if those are items that are reserved for the rich, the millionaires and the privileged, I guess I just do not understand it.

But they are required to attack any bill that allows Americans to hang on to their own hard-earned money. That is just kind of fundamental, I guess.

My concern is if they are going to produce the kind of rhetoric they are producing on a piece of tax legislation which simply extends current law, what are they going to do when we have to rethink the way in which we tax people today to make sure that we do not destroy the economic engine in this country that produces the quality of life-style for each and every American?

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

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

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

Mr. RANGEL. Mr. Speaker, I welcome the opportunity to join with the Republicans to send this holiday message to millions of Americans that will be affected by this bill, especially to the fraction of 1 percent that would be the beneficiaries of a substantial reduction in capital gains and corporate dividends. It is true, while this only represents 20 to 25 percent of the bill, it should be made abundantly clear that these benefits would not be effective until sometime in 2009 and 2010.

Now, I am here on the floor to try to get people to understand that this tax cut for the rich is really to grow the economy, and I want to make it clear to those people who have lost their jobs and not counted among the unemployed, those that are looking at automobile plants closing and airlines going bankrupt, that basically the economy is good, and it is good because the President told us so. And if they do not think that we are moving forward fast enough, then they ought to really listen to the President as he shares with us the great economic recovery that has happened in Iraq, and if they are just a little patient, things will get better here in the United States.

Now, we all know that whenever we give this type of tax cut that there is going to be a tremendous revenue loss, and in the last few days, that revenue loss has been something like $100 billion. But fear not, because we are not charging all of this to the deficit. It is true that as the deficit increases more than history ever expected under this administration, that soon 40 percent of the tax revenues that we get will be going just to pay the interest on this outstanding debt, and that is why our Republican friends believe that we just cannot expand the deficit, that we have to cut spending.

Now, they have looked all over to the to decide where to do the cutting. And in this holiday season, I just want to join them in letting people know where these cuts are going to take place. But I do not want people to worry about it because the President says that the economy is booming and the Republicans here say that the tax cuts for

the rich is for economic growth. So how can one be against that formula?

First of all, if one is a mother trying to raise her children and she got support from the local and State government to go after the father, or whatever the case may be, to get that money to take care of her and her family, not to worry, that this is going to be cut and she will not be able to get the money because under this bill, whether people know it or not, it is for economic growth.

□ 1145

Say you are considering using food stamps for your Christmas meal. You find out that the food stamps are going to be cut. Not to worry, because soon there will be economic growth.

Maybe you are just a student trying to get a student loan, and you really think that you should get some help from your government because, after all, we want you to be productive and make a contribution to society. Not to worry, these tax cuts are for economic growth.

What I do not understand, with all of the opportunity that we have had to take care of economic growth, why do we wait until this time of the season and target the least among us in order to do the budget cuts?

It is not as though we do not have $2 or $3 billion in terms of expenses in Iraq, which if you did not know lately, you should know that victory is in sight and we are winning that too. So we do not want you to lose confidence in all of government. If you find out that this bill rewards the richest of the people in the United States whose income is not going to be adversely affected, or their tax is adversely affected for 3 or 4 years, but we have to do something to target the poor today, then you have to have some trust in the Republicans, because they say we have got to have victory in war, we have got to grow the economy, and this is the best thing that ever happened to you.

Now, the Democrats are not just saying vote ''no.'' We will have an opportunity for Members to vote ''yes.'' And unlike the Republicans, we thought enough of the alternative minimum tax to include it in reconciliation. What does that mean? It means it is protected when it gets over to the other side, so we did not have to depend on 100 Senators sitting down and not objecting. It is in our bill. All of the good things that can come out of a bill, we have included, including relief for those people that have State taxes.

And so, my friends in this holiday season, you may find it very difficult if you are unemployed, if you are concerned about the economy, or the cuts that we have, including Medicaid, which is only a $10 billion cut, but you must trust the majority and the Republicans in this House, because they, like the President of the United States, say the economy is booming. We are going to have victory in the Middle East, and this is going to make it easier for you, if not today, if not tomorrow, then sometime in the future.

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

Mr. THOMAS. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, perhaps the gentleman from New York (Mr. RANGEL) is not aware that the Senate has included the alternative minimum tax in their reconciliation tax package. They have already voted on it. So there is no need to provide any assurance from the House side, because the Senate has already included it. But, again, that is reality.

The economy is not good because the President told us so. Leading economic indicators tell us so: the unemployment numbers, the productivity numbers. The real problem with my friends on the other side of the aisle is that if reality does not coincide with their rhetoric, they choose rhetoric rather than reality.

Mr. Speaker, I yield 2½ minutes to the gentlewoman from Connecticut (Mrs. JOHNSON).

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise today in support of the Tax Relief Extension Act. Let me make absolutely clear what this bill does. The bill will prevent automatic tax increases on millions of Americans and their families.

Unless Congress acts, individuals will pay higher taxes on their savings; businesses will lose valuable incentives to provide research in the United States; small businesses will lose the ability to expense new equipment, essential to the support of new employees.

These are all benefits taxpayers have today, and our bill simply preserves them. The bill does not increase taxes. The bill does not reduce taxes. The bill merely preserves the current tax policy that has driven 4.3 percent growth and is creating millions of new jobs.

According to the IRS in my home State of Connecticut, there are 550,000 taxpayers who receive dividend income; 153,000 of those have incomes below $30,000 a year. Right now they pay 5 percent taxes on dividend incomes. In 2008 low-income taxpayers will pay zero taxes on dividend income. If we fail to act, however, they will pay taxes as high as 25 percent.

A widow living on $30,000 a year could see her tax bill increase by $1,200 a year. That would be wrong. This bill needs to be passed. It deserves to be passed. It also needs to be passed and deserves to be passed because it extends and enhances the R&D tax credit. At a time when other nations are providing or have provided permanent and richer incentives for research, we need to recognize the job-producing benefits of this tax credit.

Mr. Speaker, we remain a world leader in patents and discoveries, but other nations are closing in. Advances in technology and innovation are what drive growth and ultimately create higher standards of living for all of us.

We need to ask ourselves, do we want the next major scientific breakthrough to happen in Germany or China? Do we want other countries to be the leaders in the patents for the next generation of technology?

Finally, I would be remiss if I failed to mention incentives for small business expensing. Small business is the engine of our economy. Our bill allows small businesses to immediately expense up to $100,000 of equipment. When we first adopted this provision, we saw investment in equipment skyrocket, go right straight up. Lowering the cost of capital encourages small businesses to invest in machines, trucks, and other equipment and hire new people. With 25 million small businesses accounting for two of three new jobs created, expensing supports these small businesses.

Mr. Speaker, I urge passage of this legislation.

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

Mr. Speaker, I would just like to say briefly, if the chairman of the Ways and Means Committee is saying that the alternative minimum tax is in the other body's bill, then he must be saying that the tax cuts that we are talking about today are not in the other body's bill.

So it is 3-card Molly. The House Republicans passed both of them, one on the Suspension Calendar that is not protected here, but is protected in the other body; and this bill which provides for relief for the taxes for corporate dividends and capital gains, which is protected in our bill, but is not in their bill.

And so what we are doing is shooting dice to see which one will prevail.

Mr. Speaker, I yield 3½ minutes to the gentleman from Washington (Mr. MCDERMOTT).

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

Mr. MCDERMOTT. Mr. Speaker, I got up this morning and here is the Washington Post's eminent columnist, David Broder. He begins his story: ''If the House of Representatives were a person, it would be blushing these days. Unfortunately, the House is beyond embarrassment.''

Now, I used this before, but I wanted to bring it out here again because I think we need to demonstrate to people what is going on. We have Christmastime, and we have socks. We have poor people's socks and rich people's socks. And the rich people need $100 billion in tax cuts.

The Republicans, for whatever reason, have decided that it is $100 billion yesterday and today, $100 billion. Now where do you get the money for that? Well you have to cut somebody to get it. You have got to cut something, or else you are going to drive up the deficit.

So the first thing you do is take child care away from 300,000 children. And you put that in the sock, the stocking of the rich. And then you have Social

Security, SSI benefits for the disabled and the elderly. And you take $700 million away from them and put it into the rich folks' stocking.

And then you come to child support enforcement. We do not want children who are in divorced families to get money from those deadbeat dads. That is not what the Republicans say. They say, let us save $21 billion. We will take it away from the children in divorces and put it in the rich people's stocking.

And Medicaid. Oh, well, they do not need health care. Why, there is $10 billion we can take away from poor people's health care and put it in the rich people's stocking.

And then there is student loans, $14 billion from college students. We are going to load it on them. That is the middle class. That is the lower-class people who are trying to get through on loans. We take their loans and we say, no, no, no, no, the rich people need it.

And then we have one of the best ones of all: food stamps. Let us take food stamps away from 300,000 people; 300,000 people getting food stamps. Oh, these are the rich. Oh, but we have to cut them. We have to take this away from them.

You cannot have food stamps, poor people or ordinary people; we got to give a tax break to the rich people. And then finally we have foster children. Way down here in the bottom of the sock. We have $600 million taken away from the program that we took those children out of another family and took responsibility for. We have taken these children away from a family we have accepted responsibility for in this foster care payment, and we cut it and we give it to the rich folks.

Now, you kind of wonder what might be left down here for the poor people. Well, look at that. A lump of coal. The poor people better save that lump of coal, because there is nothing in here for their heating bills, the LIHEAP program has not been expanded, and all they are going to have to heat their house is the lump of coal that the Republicans put in the poor people's sock.

Merry Christmas. I certainly hope you enjoy all the festivities. This is a bad bill. Vote ''no.''

Mr. THOMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN) to explain to the gentleman from Washington that it is not a zero sum game that is what has made the American standard of living.

Mr. RYAN of Wisconsin. Mr. Speaker, I appreciate the gentleman yielding me time.

I also appreciate the fact that the gentleman from Washington is willing to acknowledge Christmas here on the House floor. That is a nice step in the right direction.

Mr. Speaker, let us look at the facts. To hear the other side, you would think we were taking a chain saw to the budget. What we are proposing in the budget is that we increase entitlement spending 6.3 percent instead of 6.4 percent, saving $50 billion out of a $14 trillion budget, by rooting out waste, fraud and abuse by reforming government.

But let us talk about these tax cuts. You would think when we cut taxes in 2003 we would have lost revenues. Right? That is the intuitive thing to say. Wrong. That is not what happened. Since the enactment of the 2003 tax cuts, job losses went away. The unemployment rate was 6.1 percent when we cut taxes. The unemployment rate is 5 percent.

Since we cut taxes, we have averaged a job creation every month of 148,000 jobs. Just last month alone we added 215,000 jobs to the economy. What happened before we cut taxes? Before we cut taxes, the 2 years before the tax cut, our economy grew at an average of 1.1 percent. How fast is the economy growing since the tax cuts? 4.1 percent. How fast did the economy grow last quarter? 4.3 percent.

Now, Mr. Speaker, what has happened since we cut taxes is we have reversed the job loss, we have reversed the decline in jobs, and we have added 4.4 million jobs to the American economy since the 2003 tax cuts.

What happened to revenues? Revenues increased. Yes, that is right. At these lower tax rates, at these lower taxes, we increased revenues to the Federal Government. Last year revenues went up 14 percent. Just this year individual income tax receipts are up 14 percent. Corporate income tax receipts are up 47 percent.

What happened to the deficit, Mr. Speaker? The deficit projection in 2004 was $521 billion. What is the deficit now? The deficit projection now is $319 billion. We dropped the deficit 23 percent last year. We dropped the deficit 25 percent last year. The deficit is down because tax revenues are up.

Do not defeat this bill and raise taxes. Let's stop tax increases.

□ 1200

Mr. RANGEL. Mr. Speaker, I would like to ask the gentleman just one question on my time.

These very important tax cuts or extension of tax cuts you are talking about, could you share with me as simply as possible as to when they expire, what year?

Mr. RYAN of Wisconsin. Each of these tax cuts expire between this year and the next 2 years. It depends on the tax cut you are talking about.

Mr. RANGEL. The tax cut that we are talking about is the $20 billion in capital gains and corporate dividends. Does that not expire in 2009?

Don't get rattled.

Mr. RYAN of Wisconsin. Not at all.

Mr. RANGEL. It is just a simple question. Because there seems to be some degree of urgency in this and unless it is a projected gift, then these things don't expire this year or next year.

Mr. RYAN of Wisconsin. If the gentleman will allow me to respond to his question.

Mr. RANGEL. Please.

Mr. RYAN of Wisconsin. Why is it important that we continue the tax relief progress that would expire in 2008 on dividends and capital gains? Because those are job creators.

Mr. RANGEL. I think the gentleman has answered the question. There is no urgency in this. You just want to give a projected Christmas gift to the very wealthy. So I need some help on this. If I can't get answers from you, I will get someone that can give answers.

Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. NEAL) to answer some of these important questions, a distinguished and acknowledged expert in this on the Ways and Means Committee.

Mr. NEAL of Massachusetts. Mr. Speaker, I just heard the gentleman from Wisconsin talk about job creation. He singled out one month. 22 million jobs created during the Clinton years. 22 million. Economic growth has been paltry and everybody knows it. In addition to which he talked about the deficit—with a straight face. They have rolled up the national deficit, $2.2 trillion we are in the hole. On their time this has happened.

Let me say this and I think it is very important to point out, Mr. Speaker, the Republican majority now says, as they did yesterday with a straight face, incidentally, well, the Democrats did not do anything about the alternative minimum tax when they were in the majority. In 1994, and I hope that anybody who is listening to this will write this number down, when the Republicans took control of the House of Representatives there were approximately 200,000 people paying AMT, 200,000 people. Next year 19.3 million people are kicked into AMT.

I would like to think, as the gentleman from New York has indicated, that I have had some consistency on the issue of alternative minimum tax, not only in the committee, but here on the House floor. We did a big nothing yesterday about AMT and everybody knows it. 19.3 million people next year are kicked into AMT. But the House of Representatives had time to repeal the estate tax and now to address the dividend and capital gains tax, but they really never have time to do anything about AMT. And the reason they do not have time to do anything about AMT is pretty simple, it goes to middle income Americans to bear that burden.

So if we do not have time here to do something for the wealthy, we really do not have time to do anything. We are rich and we are not going to take it anymore. We watch these numbers as they are presented to us. The Republican party, at one time, stood for anti-Communism and balanced budgets. Well, Communism is gone and the deficits have really soared, all from a party that preaches fiscal discipline. They have rolled those deficits up for one reason, after, by the way, robbing the Social Security trust fund to pay for tax cuts for the wealthiest.

In this institution we hear, well, the Social Security trust fund is going broke. It is going broke because they took $2 trillion out of it in tax cuts during the next 10 years. There is no pressure to do what we have to do today. They are contributing to the national deficit, contributing to the debt, all under the guise of paying for tax cuts for the wealthiest among us.

Lastly, I defy anybody here to not acknowledge this static. The dividend relief bill that we are entertaining here overwhelmingly 53 percent of that benefit goes to people who made more than $1 million last year. That is where we find ourselves now.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume to ask a rhetorical question.

If the gentleman from Massachusetts (Mr. NEAL) voted yes on this alternative minimum tax bill yesterday he either was protecting the very rich in Massachusetts.

Mr. NEAL of Massachusetts. Will the gentleman yield?

Mr. THOMAS. No, it is a rhetorical question.

Mr. NEAL of Massachusetts. I am happy to participate.

Mr. THOMAS. Whose time is it, Mr. Speaker?

The SPEAKER pro tempore (Mr. GINGREY). The gentleman from California (Mr. THOMAS) has the time.

Mr. THOMAS. Either he was voting to protect the incomes of the very rich in Massachusetts or he exercised a futile procedure.

There were four Members of his party who voted no. He had an opportunity, if he believed it was not real to vote no. He voted yes. The problem is they always want it both ways.

Mr. Speaker, I yield 2½ minutes to the gentlewoman from Pennsylvania (Ms. HART), a member of the committee.

Ms. HART. Mr. Speaker, I thank the chairman for yielding me time.

Mr. Speaker, I rise in support of H.R. 4297 because this legislation will ensure that our economy will continue to expand. That is right, expand.

If you would listen to those on the other side of the aisle, you would think that we are in a shrinking economy. However, since the capital gains and dividend taxes were reduced in 2003, we have seen ten straight quarters of what is it? Growth.

Now, what does growth mean? It means more jobs. It means more opportunity. I spoke recently with an entrepreneur group back home, women who started businesses in their homes. Most of them have children and did not want to be out of the house all the time, very small businesses. And you know what they said to me their top priority is? Make sure you extend the capital gains cuts. Make sure you make sure you pass legislation that will prevent a tax increase.

That is what we are doing today. Preventing a tax increase on these entrepreneurs who, one by one, are creating new jobs in our economy. The national economy has produced impressive growth. Our pro-growth policy will continue only if we do not increase taxes. In the 10 quarters prior to the passage of this legislation, we averaged just 1.2 percent of growth, never exceeded 2.9. In the 10 quarters since, we have averaged 3.3 percent of growth and have averaged over 4 percent. Now, I think 4 percent growth is better than 1 percent growth. And if we do not continue this tax situation and increase taxes, we will see our growth go away.

What does this mean, this business investment that happens because of the capital gains reduction, the dividends reduction? It means new jobs. In a district like mine where we need new jobs, and I know some Members on the other side of the aisle apparently have more jobs than they need, we need jobs. This climate is the climate we need for growth. We have seen, in fact, unemployment go from 6.1 percent down over 1 point to 5 percent.

Despite challenges that this country has faced over the last couple of years, including terrorist attacks and natural disasters, we have still seen an increase of job creation.

Now, if anybody at the end of August and the beginning of September expected that we would see 215,000 jobs created in the United States in the last month, I do not think you are telling me the truth. But the good climate that was created by those cuts made it happen.

We need to continue good policy. We need to realize what good policy is. Good policy is allowing the people to invest their money, create jobs, create a strong economy and create job growth. I urge my colleagues to continue this situation and not allow a tax increase on the American public.

Mr. THOMAS. Mr. Speaker, I yield the remainder of my time to the gentleman from Michigan, the chairman of the Select Revenue Subcommittee, and ask unanimous consent that Mr. CAMP control the remainder of my time.

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

There was no objection.

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts (Mr. NEAL) to give a rhetorical response to the chairman's question.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me time.

The chairman did raise a rhetorical question. Let me give a rhetorical answer.

We are all so desperate here after these 10 years of Republican rule to do something about AMT we are prepared to vote for any procedure that comes before this institution just to hopefully move it along.

Remember, when the Republicans took control, 200,000 people were paying AMT. Next year 19.3 million people will be paying alternative minimum tax.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY), a distinguished member of the Ways and Means Committee.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding.

The preceding speaker on the Republican side said we have got to pass this, we have got to continue the pro-growth policies. She was talking specifically as she referenced capital gains and dividends. Well, the fact is the very tax cuts that she is talking about remain in place. They are in existing law for 2006, for 2007, for 2008. Doing nothing keeps the very provisions she was hyperventilating about just a moment ago.

But what is the matter then? If we got them and we got them through 2008, why not kick them out through 2009 and 2010? This is the reason. This is the national debt. This fall it went north of $8 trillion.

I brought this chart to illustrate what a huge burden we are racking up for our children. This averages out to $27,000 of debt per person. And in this environment, the majority in bringing this bill to the floor today after yesterday's vote will be passing $87 billion in additional tax cuts that are not paid for.

Alan Greenspan has got some words of caution on this. He was quoted in November saying, We should not be cutting taxes by borrowing. Well, when they do not pay for their tax cuts, they are basically borrowing, leaving the debt to our children to offset the funding of these tax cuts, just what Greenspan warns against.

Earlier in the month of December, just last week, he says, An expected deficit casts an ever larger shadow over the growth of living standards. In the end, the consequences for the U.S. economy could be severe.

The dirty little secret in this budget reconciliation plan is that it increases borrowing authority for this country nearly $1 trillion, from 750 to $780 billion of additional debt they will be authorizing to fund the tax cuts that they want to commence.

As they talk about growth, don't believe it. They would not have to increase the borrowing limit to this country if this all worked. They are adding to the debt to pass tax cuts disproportionately for the wealthiest.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. CHOCOLA), a distinguished member of the Ways and Means Committee.

Mr. CHOCOLA. Mr. Speaker, imagine if we could bring a piece of legislation to the floor of this House that would, over the next 30-month period of time, result in benefits that every American could share in. Things like increasing business investments by 25 percent, growing the value of the stock market by over $4 trillion. Creating 4.4 million new jobs. Reducing the unemployment

from 6.3 to 5 percent. Having quarterly GDP grow at an average of 4.1 percent. Increase tax receipts by $274 billion over a 12-month period of time, a 15 percent increase, the largest in 25 years. And decrease the deficit over that same 12-month period of time by over $100 billion.

Mr. Speaker, it would be hard to imagine that we would not all support that, but I guess it is not hard to imagine, given the conversation here today, but that is exactly what this body did when we passed tax relief in 2003. And today we are simply extending these pro-growth tax policies that have led to this historic economic growth.

I think, Mr. Speaker, we all understand the benefit of hindsight and history is full of valuable lessons. I encourage my colleagues to use the benefits of hindsight and the facts of history to support this tax relief extension today and the policies that led undeniably to opportunities of growth and prosperity for every single American. Because not to do so, Mr. Speaker, is the thing that would be truly hard to imagine.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT), a distinguished member of the Ways and Means Committee.

Mr. DOGGETT. Mr. Speaker, when this administration took over the White House, the United States enjoyed a multi-billion dollar budget surplus. But a Republican-controlled Congress proved unable to stay the course. Instead, our public surplus has been surrendered—surrendered to special interests and their corrupt coterie of cronies.

Every time Big Oil or Halliburton or some other corporation that shifts its jobs and its profits offshore comes up here and asks for another tax break, this Congress waves the white flag of surrender. The commitment to any fiscal discipline is in full retreat. Now we have huge deficits as far as the eye can see.

□ 1215

At a time of war, Republicans demand no sacrifice from those at the top, no sacrifice from multinational corporations; and they demand that those at the bottom sacrifice their all.

Under this bill, the few individuals making over $1 million per year are rewarded, on the average, with over $50,000 in tax breaks. So those at the top, they can add another fancy foreign car to their fleet. But for the many who are earning up to $40,000 a year, that is over half of the people of the United States, they get an average of $30, maybe enough for a full tank of gas.

Once again, America sees that a true Republican Christmas is one where only the silk stockings get stuffed. And when the bill for this lavish Christmas give-away comes due, who is going to pay? Our children will pick up the tab in the form of endless national debt and with cuts to child care, cuts to assistance to abused and neglected children, cuts to child support enforcement, and cuts to student financial assistance.

The tax-writing body in this Chamber has truly become the ''Committee on Greedy Ways and Shifty Means.'' And this will be remembered as the ''Cut-and-Run'' Congress, cutting taxes greatly for the few, while running trillion-dollar deficits for the rest of us.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), a distinguished member of the Ways and Means Committee.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, today we have the opportunity to pass a bill that I believe will provide a powerful tonic for continued economic growth as a precedent for social justice.

Since 2003, when much of the current tax policies were enacted, our GDP has seen its fastest growth in 20 years, averaging a robust 4.4 percent growth per quarter. This growth, Mr. Speaker, is attributable in part to reduced rates on capital gains and dividends.

I would like to highlight who in the real world is receiving these reduced rates and, therefore, whose taxes we will be raising if we fail to extend these existing policies.

Mr. Speaker, 54 percent of those families receiving dividend income had incomes of less than $75,000, and they received an average of $1,400 in dividends. Today, families with incomes under $100,000 have more than $20 billion in dividend income. In 2005, an estimated 10.3 million families in the 10 and 15 percent tax brackets will save on their taxes because of the existing tax policies.

So the rhetoric that this tax relief only benefits the wealthy is vacant, ideological posturing.

To let these rates expire would simply be a tax increase on the productive sector of the American economy. Not only would the lapse of the reduced rates impose a tax increase; it would particularly discourage equity ownership among working families, among whom we have seen a 91 percent increase in stock ownership.

To turn back the clock on our tax policies that have benefited American workers and encourage more American workers to own a stake in their future is simply the wrong thing to do.

Mr. Speaker, those who oppose this legislation are asking for a perverse tax increase on the seed corn of our economy and are suggesting that we impose a drag on economic growth at a time when we need it the most. We cannot afford not to pass this legislation today if we are serious about growing our economy.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. THOMPSON), a distinguished member of the Ways and Means Committee.

Mr. THOMPSON of California. I thank the gentleman for yielding.

Mr. Speaker, just 2 weeks ago, the majority came down to the floor and cut $50 billion from services for middle-class workers, students, hungry children, farmers, and single moms. Today, they are back with part two, pushing almost $60 billion in tax breaks for Americans who need help the least. Sadly, they are trying to peddle this as deficit reduction.

Mr. Speaker, you cannot spend $10 billion more than you cut and call it deficit reduction. Our constituents know that these numbers do not add up, and they also know that these priorities do not add up.

This bill grows the deficit, and it turns a blind eye to the tax increase the middle class will face in just another 23 days. That is when the relief for the alternative minimum tax, or the AMT, expires. If AMT expires, 16 million new families will start paying this tax next year. That is a tax increase.

This is an issue that hits home for my constituents. California is hit harder by AMT than any other State in the country. Almost a quarter of the revenues that come from the Treasury from AMT come directly from California. If AMT relief is not extended, that number will increase.

This legislation extends tax cuts that are not even close to expiring, cuts that are on the books for another 3 years. It changes more than 25 different tax provisions; but somehow, our friends in the majority could not find room for AMT relief: 16 million new families impacted, 23 days until expiration, zero regard for the middle class.

I urge my colleagues to vote against this irresponsible legislation and support the Rangel substitute. The substitute extends immediately-expiring tax provisions, and it protects our middle-class families from AMT.

Mr. CAMP of Michigan. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. SHAW), a distinguished member of the Ways and Means Committee and chairman of the Trade Subcommittee.

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

I have been listening to the debate here on the floor. I have yet to hear anybody from the other side say that the reduction in capital gains does not stimulate the economy or say that any of these items are bad for the economy.

All we have heard from the other side is class warfare, who is getting what. Well, I can tell you who is getting what, and we can go down this thing.

My folks in Florida want to be able to deduct State and local sales taxes. What is wrong with that? People in New York, they can deduct their income tax. So why can Floridians not deduct their sales tax and other States?

Research and experiment tax credit, who can be against that? It keeps us sharp and competitive in the world market.

Above-the-line deduction for higher education expenses. Are we against allowing people to deduct their education expenses?

How about an above-the-line deduction for out-of-pocket teacher classroom expenses, are you against that?

All we are hearing about is, well, why are you doing it for capital gains and how this is going to affect the top people, the people right at the top of the income level. I would like to point out who is going to benefit from the reduced rate on dividends.

Nearly 60 percent of the Americans receiving capital gains or dividend income have incomes of less than $100,000; and believe me, that is not millionaires, and you can even take it down to $50,000 and find one in five will benefit from the capital gains deduction because of incomes under $50,000. Those are not millionaires, but let us get down to talk about why we are doing it now.

If we were to allow the capital gains rate to expire and jump back up and increase, what we are simply doing is pushing back the increase so they do not increase. This is very important, and it is important for capital formation. It is important for planning your life and future and what you are going to be able to do; and also, I think that it is just good sense. It is good for our economy. Our economy has grown under this structure, and let us let the economy continue to grow.

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

I am so glad to hear my friend from Florida talk about the economic growth that we can expect by making certain that the capital gains tax cut and the corporate dividend tax cut do not expire. What bewilders most people is that this does not expire until 2008. Nobody would be adversely affected until 2009, and unless the gentleman does not believe he will be in the majority in the next few years, I do not see why he would have to say that people who are out of work, who are looking for work, who have lost their pension should believe that this tax cut that will continue to 2009 is going to help them.

But maybe the gentleman from Mississippi, who understands that not many of his constituents are going to understand this, might clarify some of the problems we have.

Mr. Speaker, it is my pleasure to yield 3 minutes to the gentleman from Mississippi (Mr. TAYLOR), who really knows what economic growth should be.

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman for yielding me time.

Last night, about 12,000 Mississippians went to bed in somebody else's house or in their carport or in their car or in their tent. They are waiting on a FEMA trailer. I did not promise them a FEMA trailer. The President of the United States did. He has not fulfilled that promise yet. It is over 102 days past the storm.

As we speak, there are tens of thousands of Mississippians, average Joes, who are about to lose their house. See, they lived outside the flood plain. They had wind insurance, and a storm of magnitude that has not occurred in 300 years either destroyed or flooded their homes.

Now they have no home. They have a mortgage to pay, and their insurance company, which contributes heavily to the folks over there, says you are not getting a dime because that was water and not wind, but they will use any excuse they can.

I have introduced legislation to try to help those folks, and it is expensive. It is going to cost about $5 billion to help those folks hang on to their homes and hang on to their mortgage; and in 102 days we have not had a hearing or a vote on it. But if you are a member of the political contributor class, the guys who write the big checks to the RNC, guys who write a big check to a Congressman here, Senator there, we have got a vote on your tax cut that does not even expire for 3 years.

You want to know what this House's priorities are? It is not with the average Joes. It is with the political contributor class. You call them what you want. You can call them rich, but we all know it comes down to who writes the checks.

By the way, the guy on Coleman Avenue whose house washed away, he does not write big checks. So maybe that is why you do not listen to him. It has been 102 days, and you have done nothing. There is no talk of doing anything.

There are 12,000 Mississippians waiting on a FEMA trailer. So what do you bring to the floor? Is it hurricane relief? Is it something to help the average Joes? It is a tax break for the wealthiest 1 percent of America who, by the way, write the big checks to the political parties. Tell me your priorities are not screwed up, because I am going to tell you they are.

Mr. CAMP of Michigan. Mr. Speaker, I yield myself such time as I may consume.

I just want to point out to the Members that yesterday the House passed the Gulf Opportunities Zone Act 415–4 which dealt with many items to help gulf coast area residents who had been hurt by the hurricane, incentives to help rebuild housing, investment to provide depreciation and expensing for small businesses, bonding authority so that tax-exempt bond authority could help rebuild devastated infrastructure in the hurricane zone.

So this House has acted to help hurricane victims.

Mr. Speaker, I yield 2½ minutes to the gentleman from Arizona (Mr. HAYWORTH), a distinguished member of the Ways and Means Committee.

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

Mr. HAYWORTH. Mr. Speaker, I rise in strong support of the legislation precisely because of the challenges outlined by my friend from Mississippi.

As my friend from Michigan just pointed out, yesterday this House took steps to reignite the engines of economic opportunity, to deal with job creation and getting help to the people of the gulf coast. I would assure this House, Mr. Speaker, this is not some sort of abstraction.

As my friend from Mississippi knows, Brother Rex Yancey, the pastor of First Baptist Church in Pascagoula, is my wife's uncle. This is not some sort of statistic or abstraction. Just as Brother Rex and everyone in Mississippi and on the gulf coast are facing challenges, we need to work together to make sure the climate of economic opportunity exists for all.

Just as heartfelt as his concern is for his constituents, Mr. Speaker, I must correct the record. It does this House no service to come to this well, no matter the challenges confronted, and try to claim either class warfare or crass political opportunism in a quid pro quo. It is beneath the dignity of every Member of this House to suggest that somehow this has to do with contributions.

As my friend from Mississippi knows, the most philanthropic State in the Union where people step up to help neighbors in need, that example does not fall on deaf ears. I will say economic opportunity is important, not only for Wall Street, not only for Main Street but for your street, Mr. Speaker, for every street because we understand economic opportunity is not exclusive.

There may be some who believe that this modern economy is some sort of caste system. There may be some who always want to fill in the blank as follows: tax breaks for the blank, tax breaks for the rich. That is their story and they are sticking to it. No hope, no opportunity when the facts are otherwise.

We have had solid economic growth. Revenues to the government have actually increased.

□ 1230

And not only has there been some $69 billion in immediate hurricane relief given by this Congress and this government to the storm victims, but the promise of future help and economic prosperity as the people of the gulf coast get back on their feet.

Stand up for growth and opportunity. Pass this legislation.

Mr. RANGEL. Mr. Speaker, I had an old law professor, and he once told me, if you don't have the facts going for you, raise your voice. I never understood it, but I do now.

Mr. Speaker, I yield 30 seconds to the gentleman from Mississippi (Mr. TAYLOR) to share with us what economic growth means to him under this bill.

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to remind the gentleman that when your house is washed away, your job is washed away. You are not looking for a tax break. You are looking for your fellow Americans to

help you out while your kids are serving in the Mississippi National Guard over in Iraq.

You have not done that for 102 days.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois (Mr. EMANUEL), a distinguished Member of the Ways and Means Committee.

Mr. EMANUEL. Mr. Speaker, I rise today in strong opposition to this Republican plan for the wealthiest Americans.

President Kennedy once said, ''To govern is to choose.'' So let us look at the choices. This tax cut falls on the heels of a deficit reduction plan passed before Thanksgiving that cut children's health care, child care assistance, college aid, child support, and will actually increase the deficit by $20 billion. That is what they refer to as new math in America.

What kind of Congress calls this fiscal responsibility? A Republican Congress, but of course.

With all the problems facing middle-class Americans, soaring energy costs, coupled on top of skyrocketing health care costs, educational expenses, and flat incomes 5 years in a row, what is the solution offered by this Republican Congress? Cut capital gains and dividend taxes for millionaires.

It is time for a change in new priorities rather than that same old tired failed policies that got America to where it is today.

This budget cuts $9.5 billion, adversely affecting $6 million children's health care. It cuts 40,000 children from nutritional assistance. It cuts child care assistance leaving 330,000 children without child care assistance. It cuts $14.5 billion from student aid and college assistance. It cuts child support collections $4.5 billion.

This budget gives a whole new meaning to women and children first. And what do they do in return? Fifty-three percent of the benefits of this tax cut on dividends and capital gains goes to people earning $1 million or more, and 62 percent of the benefits go to those earning $500,000 or more.

What kind of Congress would throw children over the side to pay for more tax cuts for the wealthiest Americans? A Republican Congress, but of course.

These are the wrong priorities for America. We can do better. It is time for a change and for a new direction.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Colorado (Mr. BEAUPREZ), a distinguished member of the Ways and Means Committee.

Mr. BEAUPREZ. Mr. Speaker, this has been an interesting debate, as it always seems like it is these days in this House. In 2003, I actually thought we did some very good things with the tax cuts we implemented, and I thought we did them for families back home in all of our districts. So on August 2, 2005, I joined with a colleague of mine from Colorado, Congresswoman MUSGRAVE, a member of the Small Business Committee, and we explored the effect of at least one of those tax cuts that we are talking about extending today, section 17, which increases the allowable expensing limits from $25,000 on depreciable assets to $100,000.

Now, I think Linda Jones, the owner of Area Rentals back in Westminster, Colorado, will be delighted to understand that she is a member of a special interest and must surely be rich, by definition, because she got a tax break. What she did with that was, in 2003, she used $57,000 of the allowable expensing limits to purchase some additional equipment that she rents in her store. And because she saved a little over $7,300 in tax expense, and that came the same year she got a 30 percent increase in her employees' health care costs, she was able to maintain coverage for health care for her employees. The very next year she used an additional $64,000 of the expensing allowance to purchase even more equipment to expand her store, keep jobs, and, in fact, increase jobs.

Ron Lautzenheiser must be among the rich and the special interests, too, except he runs a big old tire center back in Fort Collins. When he did his calculations, wanting to expand, the increase in expensing limits contained in section 179 allowed him to figure out how to do that. He added two new stores and went from one big old tire center employing but a handful of people to now employing 50 people in three stores.

This is commonsense legislation for the real people back home, and I urge its adoption.

Mr. RANGEL. Mr. Speaker, I reserve the balance of my time, having only one speaker remaining, until the other side reaches that point.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HERGER), a distinguished member of the Ways and Means Committee and chairman of the Human Resources Subcommittee.

Mr. HERGER. Mr. Speaker, today's legislation contains a number of important tax relief provisions, including an expanded research and development credit to keep American innovation competitive; and one supported by my friend from Wisconsin, Paul Ryan, which would adjust the qualified veterans mortgage bond program and expand access to affordable home loans for California veterans who served after 1977.

In addition, the bill before us includes a measure that I have long supported to facilitate greater small business growth. Small businesses are the backbone of our economy, representing over half of all jobs and economic output. The section 17 extension in this bill will enable small businesses to write off new capital investment up to $100,000 per year, spurring further economic growth and helping to generate new jobs.

In 2003 alone, 4.6 million small businesses used $44.1 billion of section 179 expensing. According to the National Federation of Independent Businesses' November report, 61 percent of small business owners reported capital outlays over the past 6 months, including new equipment and vehicle purchases, furniture purchases, existing facility expansion, and improvement in new facility construction.

Small business expensing works and it helps drive job creation in areas like my own northern California Congressional District. Unfortunately, the current expensing limits are set to return to significantly lower levels if we do not extend this provision.

Mr. Speaker, I would like to thank Chairman THOMAS and the members of the committee for their support of small businesses, and I urge my colleagues to vote for the legislation before us today.

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

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. WELLER), a distinguished member of the Ways and Means Committee.

Mr. WELLER. Mr. Speaker, I thank the gentleman for yielding me this time, and for his leadership on this issue as well as many others.

It is good to be in the House doing something that is pretty basic. I support this legislation. I would note that if you vote ''no,'' you are actually voting to increase taxes because this is legislation simply extending current law that expires in the coming year.

I also want to point out a provision that is very, very important in districts like mine, in areas like the Chicago suburban area, because it is legislation that addresses the need to revitalize old urban areas, to recycle, and to use old abandoned industrial sites. That is the brownfields provision.

I have worked over a number of years with Chairman THOMAS and others, and we have worked in a bipartisan way, to find ways to encourage reinvestment in old abandoned industrial sites. You will find, in many cases, that these old industrial sites have environmental contamination, and because of that investors would much rather go out and buy a cornfield, a greenfield site, and create an industrial park, which consumes five to six times as much land, creates urban sprawl, and also costs the taxpayers more because you have to replace the water and the sewer and the infrastructure and the roads.

Well, in the coming year, the environmental cleanup provision for brownfields, that tax incentive, expires. So we extend that. But we also do something more, which I think is very, very important. And, really, the recent occurrence of Katrina highlights it, because we have often heard about the petroleum contamination in the New Orleans area and the need for cleanup. Well, if you think of your own communities and the south suburbs of Chicago and rural areas that I represent, we can always think of that gas

And if you ask the local real estate people or the local economic development people why, they say, well, they had some petroleum contamination there. If somebody buys it, they have to pick up the cost. It does not qualify for the LUST program. So the investor who purchases that old abandoned gas station has to pick up the cost.

With this legislation, we expand the brownfields tax incentive to include petroleum. So whether it is oil factories, gas stations, transportation hubs, or rail yards, we give that opportunity to recycle, renew, and revitalize.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. SAM JOHNSON), a distinguished member of the Ways and Means Committee.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I am pleased to rise today in support of this bill and the resilient American economy. This act will build on our legacy of tax relief that is fueling our economy, and will extend some very important tax provisions that will keep America's economy moving forward.

Freedom and free enterprise go hand-in-hand. And keeping tax rates low so people have more of their hard-earned money in their pockets is the right way to go.

Texans want, need, and deserve to have their sales tax deduction extended. It is vitally important for Texas. In Texas, we like to say ''no new taxes.'' We finance our spending through a sales tax. In 2004, we made sales taxes deductible from Federal taxes again, but that deduction expires in just a few weeks. My constituents want to keep the sales tax deduction. This bill will allow any American to choose to deduct either State sales tax or their State income tax through 2006. That is a great idea.

Next, this bill extends the popular research and experiment tax credit. Luckily, we fine-tuned it to make it work even better. Many companies in our districts will be able to use this new alternative simplified credit. They will be able to add good research and create new jobs because of it. This extension and expansion of the credit are great for American jobs and our economy.

Finally, we must extend the tax rate reduction on capital gains and dividends. This pro-growth policy helped spark the economy that we are seeing today. People and companies need to have some certainty for making decisions about long-term capital gains and dividend policy. Forcing folks to work with short-sighted tax policy just does not make sense. We have to change that if we want to see our economy stay the course.

Mr. Speaker, I am proud to support this bill and urge my colleagues to support it.

Mr. CAMP. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. TURNER).

Mr. TURNER. Mr. Speaker, I support H.R. 4297, the Tax Relief Extension Reconciliation Act, which provides extensions for incentives for brownfields remediation, a vital tool for national economic growth and for our Nation's cities. I want to echo the comments of my colleague, JERRY WELLER, and applaud his efforts for supporting the remediation of brownfields.

Brownfields are found in every State and in every Congressional District. Estimates range from 500,000 to 1 million brownfields sites across the Nation, covering roughly 400,000 acres.

Private investment is essential for urban growth. The expensing extension is a tool businesses can use to invest in urban redevelopment. In fact, it is estimated that brownfields redevelopment could generate as much as $1.2 billion annually in new tax revenue for American cities.

□ 1245

Brownfields are a major concern to America's cities, and we must provide as many incentives as necessary to clean up these contaminated sites, bring businesses back into our cities, and continue strong economic growth. This extension is an important first step toward redeveloping our Nation's brownfields, but much work is yet to be done. I urge my colleagues to support this important issue and vote in favor of H.R. 4297.

Mr. RANGEL. Mr. Speaker, I yield for a unanimous consent request to the gentleman from American Samoa (Mr. FALEOMAVAEGA).

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

Mr. FALEOMAVAEGA. Mr. Speaker, I include my remarks on deliberations on this bill.

Mr. Speaker, as a matter of public record, I wish to thank the Honorable WILLIAM THOMAS, Chairman of the House Committee on Ways and Means, for his unwavering support in saving the jobs of more than 5,000 tuna cannery workers and the economy of American Samoa for future generations. Chairman THOMAS is a true friend of our people. He stood with us during the Andean Trade debate and he is standing with us again on an extension of 936 tax credits for American Samoa until such time as a more long-term solution can be put in place once the GAO and Joint Committee on Taxation complete their reports regarding the impact of Federal tax policy in the insular possessions.

I also thank the Honorable CHARLES RANGEL, Ranking Member of the House Committee on Ways and Means. Congressman RANGEL is also a friend of American Samoa and has championed our cause on each and every trade agreement that has come before the U.S. Congress. He also supports our extension of 936 tax credits for an additional year.

At a time when our Nation is faced with paying for the war in Iraq and helping the victims of Hurricane Katrina, I know the inclusion of American Samoa in H.R. 4297 was no easy task. I also know it was no easy task for my Democratic friends to allow this amendment to be included when on principle there is disagreement about tax cuts and government spending.

While I appreciate the concerns we share and respect the fundamental differences between us, the possession tax credit offered by section 936 of the Internal Revenue Code of 1986 has encouraged two U.S. tuna canneries which employ more than 5,150 people or 74 percent of the workforce to remain and invest in American Samoa. More than 80% of American Samoa's private sector economy is dependent either directly or indirectly on these canneries and a decrease in production or departure of one or both of the two canneries in American Samoa could devastate the local economy resulting in massive layoffs and insurmountable financial difficulties.

For this reason, I again thank the Chairman and Ranking Member and my Republican and Democratic friends for working with me to include an extension of 936 tax credits for American Samoa in H.R. 4297. Only 27 provisions were included and most tax credits were only extended for a year due to budgetary concerns and, in the case of the possession tax credit, pending reports which will guide the Committee next year.

Again, given how serious this issue is for American Samoa, I urge support of H.R. 4297 and I thank the Chairman for supporting my request to include language in the conference report to provide for the development of a comprehensive long-term policy for American Samoa once the GAO and the Joint Committee on Taxation complete their reports.

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

Mr. Speaker, we have now come to the conclusion of this debate, and I want my colleagues to know that if you are looking for some of the things that are worthwhile that are in the majority's bill, we have an opportunity in the substitute to take care of it. But if you really believe this is the time for America to give a $20 billion tax cut to these people who will not be affected until 2009, why would they want to give this incentive to less than 5 percent, 1 percent of the richest people that we have in our country, and do it in this Christmas season?

So you have an alternative. You can take care of the wealthy in years ahead, since this does not expire this year, or you can do what they have not done and that is to take care of those people who find themselves subjected to an alternative minimum tax only because the majority has not seen fit to give them relief in a decade. And so as this number has increased, instead of taking care of them in the bill that is before us, they have decided to just send a message over there to tell the Senate if you would like, by unanimous consent, and if no one objects, then you can take care of the AMT problem.

We do not do this as Democrats. We take care of it up front. We take care of the military, we take care of those people from Hurricane Katrina, and we take care of the job credits that are important. We take care of those things that are important in our substitute.

In this holiday season, we really do not believe that you ought to take $10 billion out of health care for the poorest people in this country. We do not

believe that you should, in order to pay for this bill, that you should cut food stamps. We do not believe that students that have been getting help from this great government of ours should be adversely affected to pay for this tax cut.

So we ask you to really consider in this holiday season these families that have kids in foster care, these families that are having their benefits not being received because we are letting them down. You just weigh this and ask, is there any equity involved in this? If you want to give these tax cuts, why do you not wait until the thing expires? Perhaps we will have a new Congress. Perhaps there will be new equity. Perhaps it can be discussed. Perhaps the committee members, Democrats and Republicans, would come together and find out not what is just good for the wealthy, but what is good for the strength of this great Nation of ours.

One of the greatest threats to our national security is poverty. One of the greatest threats to our national security is the inability to get an education. The people who died in Hurricane Katrina did not die because of their color. The hurricane was color blind. But they died because they were poor. Why can we not invest and make certain that all Americans, black and white, Republicans and Democrats, can this holiday season say Congress did the right thing and not the political thing?

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

Mr. Speaker, the bill before us today extends important tax relief for families and small businesses all across this country. Much of the relief in this bill is already in current law and will expire next month. If we do not pass this bill, Americans will be hit with tax increases.

The tax relief in this bill goes directly to the issues of poverty and education that the gentleman from New York mentioned. This bill will allow America's teachers to receive tax deductions on out-of-pocket classroom expenses. Students will be able to use tax incentives to enhance the affordability of higher education. Employers will be eligible for incentives for hiring low-income Americans transitioning from welfare to work, getting on that first rung of the economic ladder, and States and local governments will continue to be able to qualify for tax credit bonds to help repair schools, purchase school equipment and train teachers in economically distressed areas.

These are just a handful of the important tax benefits this bill will provide to low- and middle-income Americans and small business owners.

This bill is also a big win for our Nation's economy; and without a strong economy, we will not see families achieve the kind of economic independence they need to realize the American Dream. This bill reauthorizes and strengthens the research and development tax credit amendment which passed the committee with a unanimous vote. It is a valuable tool in promoting U.S. businesses to innovate.

When I hear about distressed manufacturers in Michigan, one of the main issues they are competing on is to innovate and find the newest technology to remain competitive in a global economy. Michigan's economy, my home State, is closely tied to the ability of Michigan companies to make a sustained commitment to long-term, high-cost research. The manufacturing sector in the United States is the highest user of the research and development tax credit. Michigan, for example, is one of the top 10 States in reported research and development activity with more than 1,300 companies performing research and development in that State.

This bill is a positive piece of legislation across the board. It helps small and low-income businesses and working families, as well as helps our manufacturers to rebound, and also our high-tech community to stay competitive in a global economy. I urge my colleagues to support this legislation and vote ''yes'' on the bill.

Mr. LARSON of Connecticut. Mr. Speaker, I rise in support of the Democratic alternative to H.R. 4297, Tax Relief Extension Reconciliation Act that would provide real tax relief to working families and help the economy grow.

The underlying bill is more of the same—more fiscally irresponsible policy. The President's policy of ''stay the course'' is not working; it's not working in our foreign policy, domestic policy, budget policy or tax policy. More of the same is just not working and now is the time for a new direction.

Unlike the reckless tax bill on the floor, the Democratic alternative would help more Americans help themselves and ensure that as a country, we move forward together. Among other things, the Democratic measure would exempt every family making less that $200,000 from the Alternative Minimum Tax (AMT). The Democratic measure would also provide $42 billion in targeted tax cuts including, deductions for state and local retail sales taxes, deductions for college tuitions expenses, a research and development tax credit, a small business expensing tax credit, and a larger earned income tax credit for the families of those serving in Iraq. Most importantly, the Democratic alternative would be fully offset instead of pushing the country further into debt like the Republican bill.

The truth is that more than one-half of all taxpayers would get less than $30 in tax relief from this bill, while those who make over a million dollars a year would get an average tax break of $32,000. Supporters of the capital gains and dividends tax cuts have tried to characterize them as offering benefits that are more broad-based than AMT relief. However, in reality, households with incomes between $100,000 and $500,000 would receive 87% of the benefit of AMT relief, compared to 62% of the benefit for capital gains and dividends tax cuts.

Where are the priorities of this House? What message are we sending to the American people? It's time for a new direction because more of the same failed policies aren't working. Americans deserve better. I urge my colleagues to join me in rejecting the underlying bill and supporting the Democratic alternative that would provide real tax relief and strengthen our country.

Mr. STARK. Mr. Speaker, I rise today in strong opposition to H.R. 4297, yet another tax break for the richest among us at the expense of those who have the least.

The Republicans want to cut taxes by $94.5 billion. How do they pay for these cuts? Before Thanksgiving they voted to cut $50 billion from programs that help the poorest Americans. The conclusion is obvious: They are paying for the tax cuts for wealthy Americans by cutting programs for working Americans.

Under the tax break package presented today, a family of four surviving on $30,000 a year will get an average of $50 extra in their tax return next April. Meanwhile, a millionaire will gain an extra $51,000.

Lets just see what kind of lifestyle enhancement these tax cuts can buy:

The $30,000 working family of four can use the extra $4.16 they receive each month to buy any one of the following: 1.75 gallons of gas; a half-pound of cheese; one gallon of orange juice; two loaves of white bread; three grapefruits; or for those indebted to the NRA, 6 bullets for a .44 Magnum.

People making over $1 million get a tax break of $4,250 a month, that they could use to purchase one of the following: leases on four BMW 750i sedans; 17 iPod nano's; a 50 inch flat screen plasma TV; a five karat diamond tennis bracelet; or a 10-day European cruise. Or, if they wanted to, they could pay the monthly health insurance premiums for four families.

If the Republicans want to cut taxes, they should pay for it. We could save billions by pulling our troops out of Iraq. That could pay for Katrina relief and stop cuts to important programs for working families. Instead of handing out holiday tax breaks to rich Republican campaign donors, we should be rolling back Bush's tax breaks for millionaires to better fund important programs like Medicaid and student loans.

Also, Republicans need to drop the ''fiscal conservative'' moniker. These tax breaks combined with last month's cuts on programs for those in need will rack up $44 billion in new debt. The fiscal disciplines of the Republican party apparently means we drive our nation into debt and send the bill to our children and grandchildren.

The numbers don't lie. The Republican priority is tax breaks for the rich, nothing more. They will cut programs for the poor and increase the deficit by billions of dollars to get their way. I urge all my colleagues to stop this insane fiscal policy by voting ''no'' on this bill.

Ms. JACKSON-LEE of Texas. Mr. Speaker, we have before us a very important piece of legislation, H.R. 4297, the Tax Reconciliation Act. It is very important to understand this piece of legislation within the big picture the Republicans are painting here. Just last month, the Republicans passed a bill called ''The Deficit Reduction Act.'' This was a spending cut bill that slashed funding to many vital programs my constituents depend on, including to Medicaid, student loans, food stamps, and child support programs. The Republicans lectured us on the need to make sacrifices to control the national debt. By passing the spending cut bill, the Republicans

actually asked the poor, the downtrodden, the disabled and the young to sacrifice on behalf of the rest of the country.

Now we are faced with the Tax Reconciliation Act, which will actually add $86 billion dollars to the deficit over the next 5 years. This proposed tax cut will not help the poor and middle class, either. An estimated forty percent of the tax cuts will go to families with incomes of $1 million or more, and 84 percent of the major tax cuts in this bill will go to the richest 20 percent of families.

In fact, under this bill, over 17 million middle class Americans will face a tax increase next year from the Alternative Minimum Tax (the AMT)! An important aspect of this bill is the House's failure to adequately address the AMT. The Alternative Minimum Tax was enacted over 35 years ago to ensure that the richest Americans would pay their fair share of income tax. Unfortunately, when the AMT was enacted, Congress neglected to index the tax rates to inflation. The AMT has now begun to add an extra burden to middle class taxpayers at an alarming rate. The senate bill provides $30 billion for AMT relief to the middle class, while the House Republican leadership could only find $2.8 billion for this cause.

Republicans couldn't find the money to adequately pay for AMT relief for the middle class. They can't find any money for tax relief for those affected by hurricane Katrina in the Gulf Coast. Last month, the Republicans couldn't find the money to spare the elderly from Medicaid cuts, to spare the students from loan increases, or spare our children from child care cuts. They couldn't find the money because they are choosing to extend the dividend and capital gains tax cuts for the richest in our country.

This is not how we take care of our own in Texas, and this is not how we do things in the United States. The Republicans are launching an unabashed attack on the American way by ignoring the neediest in our country to give tax cuts to the richest.

Mr. Speaker, the decision to vote up or down on this legislation isn't a blurry line involving political ideology; it isn't a debate of Republican vs. Democratic philosophy. The priorities in this bill are misguided. Congress should not be providing additional tax breaks for the rich less than a month after huge spending cuts aimed at the most vulnerable. Congress should not be providing tax cuts for the rich in a time of war! In the end, this tax bill will either exacerbate our already large federal deficits, or will force even deeper cuts in critically important domestic programs. I am strongly opposed to this legislation, and I implore my colleagues on both sides of the aisle to vote against these unreasonable cuts and instead consider the revenue neutral Democratic alternative.

Mr. BACA. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. Speaker, this bill is easy to describe—tax cuts for millionaires and tax increases for the middle class. This bill misses the biggest tax cut priority of this Congress—the alternative minimum tax, or AMT.

The AMT was designed to prevent the wealthy from avoiding Federal taxes by taking too many exemptions, but it was never adjusted for inflation. Therefore, many middle-class American families are being affected and penalized.

Yet, instead of solving the problem of the AMT and helping middle class families, this bill only focuses on helping the rich get richer by extending capital gains and dividend tax cuts that don't expire until 2009!

This tax cut means that taxpayers with incomes below $40,000—the majority of taxpayers—will get about one percent of those cuts, an average of $3 a year. Those with incomes above $1 million—one in 500 households will get 53 percent of the cuts, an average of $38,000 per year.

Mr. Speaker, even by this Republican Congress' standards, this tax cut legislation is insulting. And because this bill will add $1.9 trillion to the deficit it is doubly so.

That is why I support the Democratic alternative that would instead fix the AMT for couples making less than $200,000 per year, reducing middle class taxes instead of increasing them. Further, the Democratic alternative would be fully paid for by slightly reducing recent tax cuts for those making more than $1 million per year. America needs fiscal discipline like we had during the Clinton years. The $5.6 trillion surplus projection from 2001 is now a $3.5 trillion deficit—a swing of $9.1 trillion!

Tax cuts to millionaires have dropped revenues from 20.9 percent of the GDP in 2000 to just 16.3 percent, while spending has increased 1.4 percent.

Mr. Speaker, the Blue Dog Coalition has the message right—we need to restore fiscal discipline. Defeating this bill would be a good first step.

Ms. MATSUI. Mr. Speaker, as we begin debate on additional tax cuts—H.R. 4297—we must consider them in the larger context of the challenges this nation is facing and the impact these tax cuts will have, on our ability to face these challenges as well as future challenges. Our decisions must always prioritize protecting the future of this nation for our children and their children.

Over the Thanksgiving recess, I participated in a program in my district that sought to increase early literacy by incorporating reading into doctors' visits. During my visit, I read to these children—who are about my granddaughter Anna's age—about "Clifford the Big Red Dog."

It is truly a wonderful program, and as I recall the joy and animation on each child's face with every turn of the page, I am reminded just how important the decisions we make today are . . . because we are merely stewards of this nation for them—and we must act as such. Are we being wise stewards in choosing to pass another tax cut—on top of the nearly $2 trillion in cuts we have already passed?

Congress has already transformed a $5.6 trillion surplus into a more than $3 trillion debt.

Yet, we are still financing the war in Iraq and the reconstruction from the war in Afghanistan. Regardless of your view on our nation's military policy over the past five years—we must pay for the wars and their subsequent cleanup, yet to date they have been financed by deficit spending. And we have only just begun the rebuilding efforts in New Orleans, Gulfport and other Gulf Coast cities struck by Hurricane Katrina.

Which brings us back to the legislation we are considering today. There are many positive provisions in this bill. They would create an even better future for our children and grandchildren, like my granddaughter Anna—particularly the provision to strengthen and extend the research and development tax credit. I am a strong supporter of this investment.

Unfortunately, the centerpiece of this bill—the dividends and capital gains tax cut extensions—is unnecessary at this time. Not only do these cuts not expire until 2008, they primarily help the same individuals who have already benefited lavishly from the previous rounds of tax cuts.

So we are at war, we are in debt and yet again we are cutting taxes without fully paying for it. The path we are beginning to turn down, as begun by this budget package, may ultimately include tax cuts that will far outstrip the some $50 billion worth of unwise spending cuts. Just the tax cuts in this bill will add at least $6 billion to the deficit and it seems more may be added outside this reconciliation process.

Sadly, it seems the only Americans asked to sacrifice are the brave men and women in uniform fighting in the Middle East and our children and grandchildren, like my Anna, who will bear the burden of our massive debt. This defies historical precedent and common sense.

We do, however, have an opportunity to make a decision that will return us to the path of fiscal responsibility. Ranking member RANGEL has offered a pragmatic and effective substitute bill and I am glad today's rule will allow a vote on it.

This alternative will extend the tax cuts that expire at the end ofthe year and provide a muchneeded AMT patch. And the Democratic alternative will be paid for by taking back a small portion of the tax cuts that benefit families earning more than $500,000. Simply, we extend only what is necessary and we pay for it—Anna and other future generations deserve no less.

I urge my colleagues to embrace the principle of shared sacrifice and reject this tax reconciliation package in favor of the responsible Democratic substitute.

Mr. VAN HOLLEN. Mr. Speaker, today we are presented with Act II of the Republican majority's ongoing and tragically misguided reconciliation saga.

In Act I, we learned who the majority felt most deserved to bear the brunt of their spending cuts: poor citizens who rely on Medicaid, hungry people who turn to food stamps and families trying to afford college.

Now in Act II we are learning where they propose that money go: for tax breaks, that are targeted primarily to benefit the top 1% of the wealthiest Americans. And what is the net result? An even bigger deficit that will have to be paid for by our children.

Let me be clear: In a properly prioritized budget, I believe there is room for targeted, fiscally responsible tax relief. And that's precisely the kind of tax relief Democrats are offering in our substitute today.

The Democratic alternative extends all of the tax cuts set to expire next year—including such items as the deduction for college tuition expenses, incentives for brownfields cleanup and the 15-year depreciation schedule for certain small business expenses. Moreover, unlike the Republican package, Democrats provide guaranteed alternative minimum tax relief—so that 16 million middle-class taxpayers won't be unfairly ensnared by the AMT. Finally, and importantly, the Democratic substitute is completely paid for—and won't add a dime to the Federal deficit.

By contrast, when considered in its entirety, the Republican reconciliation package will actually increase the deficit—at a time when the

nation's debt is already running over $8 trillion. Additionally, when faced with the choice of whether to use the reconciliation process to protect AMT relief for middle-class taxpayers or tax breaks for the wealthiest investors, the Republicans chose to leave AMT relief unprotected while extending tax -breaks on capital gains and dividends that don't even expire until 2008—tax breaks over half of whose benefits flow to those who made over $1 million last year.

Mr. Speaker, during a time of war, in the aftermath of a catastrophic hurricane, with 45 million Americans lacking health insurance and skyrocketing home heating costs projected this winter, this majority is proposing to take from those with the least, give to those with the most—and tell our children they will have to pay for it all later.

Mr. Speaker, we can do better. In fact, I would submit that—in this season above all seasons—we are required to do better.

I urge my colleagues to reject this bill and support the fiscally responsible Democratic substitute.

Mr. UDALL of Colorado. Mr. Speaker, as we debate this bill, we must remember it is only part of a brew based on the Republican leadership's budget recipe.

Just before Thanksgiving, they twisted enough arms to put the first ingredients into the mixing bowl by passing a bill to cut more than $50 billion over five years from Medicaid, student loans, and many other programs of great importance to millions of Americans.

Today, they want to continue by adding some good things—including extensions of well-targeted tax cuts like the research and development tax credit and small business expensing tainted by some unwholesome provisions, especially the premature extension of preferential rates for dividends and capital gains.

The result, just in time for holiday parties, will be a full-bodied one-two punch.

And while some may find it intoxicating, it will have a nasty aftertaste for many, will leave everyone with a bad budgetary headache—because it will actually increase the deficit—and will stick future generations with paying the tab.

So, Mr. Speaker, count me out. I thought the original recipe was wrong. I did not vote for the first part of the mixture. And I will not vote for this bill.

That doesn't mean I am opposed to tax cuts. As I said, there are good things in this bill, and I support them. That's why I voted for the substitute.

The substitute would have exempted every family making less than $200,000 from the alternative minimum tax—something that should be a priority but that is not included in the bill before us. Adoption of the motion to recommit would have had the same effect.

The substitute also included $42 billion in tax cuts over five years targeted to spur economic growth by extending the most pressing tax provisions that are now scheduled to expire this year.

However, unlike this bill, the substitute did not include extension of things that will not expire this year—including the preferential rates for dividends and capital gains—or the changes to international tax rules.

Unfortunately, the Republican leadership was not willing to follow that more reasonable approach, and is insisting on sticking with their own recipe.

But the Senate has passed a quite different tax measure, and differences between that bill and this one will have to be resolved in conference. So, while I cannot support this bill I am hopeful that the conferees will insist on a new and better mixture that will deserve support.

Mr. ETHERIDGE. Mr. Speaker, I rise in strong opposition to this latest wasteful Republican tax bill and in strong support of the Rangel substitute. The Rangel bill is a responsible effort to extend needed tax relief and protect middle class Americans from the Alternative Minimum Tax (AMT), but the underlying legislation is the latest installment of the failed Republican budget policies that have devastated this country's finances and much of our economy.

I strongly believe that Congress must return to the values of balanced budgets to restore growth and opportunity to our Nation's economy. I am tremendously proud that in my first term in the U.S. House, Congress and the White House worked together in a bipartisan manner to balance the budget for the first time in a generation. That responsible budget helped usher in a period of robust, broad-based economic growth and produced record budget surpluses.

Unfortunately, the current White House and Republican Leaders in Congress replaced that budget discipline with record deficits, exploding national debt and unbalanced budgets in perpetuity. This bill represents more of the same. The current Republican tax cuts will cost our budget $81 billion over ten years, while at the same time, Republican Leaders have proposed devastating cuts to the Farm Bill, food stamps, child support enforcement and Medicaid. Furthermore, H.R. 4297, the Tax Reconciliation Bill, raises the taxes of nearly 17 million middle class families in America, by leaving out a provision to extend the higher AMT exemptions that expire in a few weeks.

In contrast, the Rangel substitute would exempt from AMT increases every family with taxable income under $200,000 per year. It includes $42 billion in tax cuts over five years targeted to spur economic growth through the Research and Development tax credit, small business expensing and other initiatives. The Rangel bill maintains budget discipline by paring back the President's tax cuts for those with annual taxable income above $1 Million. Finally, the Rangel bill keeps our word to the families of our soldiers in Iraq and Afghanistan by maintaining their eligibility for the Earned Income Tax Credit.

I urge my colleagues to support the Rangel substitute and vote against H.R. 4297.

Mr. HOLT. Mr. Speaker, today we return for part two of the budget reconciliation bill. Just before Thanksgiving, the Republican majority cut investments in education, American competitiveness, and programs for the needy. Today, they will give a tax cut to the top 1%. It is a reverse-Robin Hood value system. Apparently, the Republican leadership thinks that the middle class is not working hard enough. They believe that the middle class needs to work harder so that the top 1% can take home more money.

Today, Mr. Speaker, we have a moral decision to make. I believe it is immoral to cut $50 billion from Medicaid, food stamps, student loans, child care payment enforcement, and foster care in order to pay for a $56 billion tax cut for capital gains and dividends.

People with income of more then one million dollars—the top two-tenths of one percent of the population would get $32,000 dollars. Most tax filers, those with income below $40,000, would get $7. Those with income above $1 million—not just those worth more than a million, but those who have income and stock market earnings of more then $1 million each year—would receive about half of this $56 billion tax cut. Worse yet, you may have noticed that if we cut taxes by $56 billion and cut spending by $50 billion, we have increased the debt. We have gone from a projected 10-year surplus of $5.6 trillion to a projected deficit of $3.5 trillion. With the deficit projected to rise to $640 billion by 2015, this is no time to pile on even more. This bill will force us to borrow more from China. This is more debt we will force our children and grandchildren to pay interest on. And for what? So the wealthiest 1% can get an even larger tax break.

Mr. Speaker, I believe there are problems with our tax system. I have supported tax cuts in the past and I have worked with Members on both sides of the aisle to achieve them. However, today we are ignoring a tax problem that affects my constituents greatly. Many of my middle class constituents are forced to pay the Alternative Minimum Tax (AMT). This year, 3.5 million taxpayers will owe AMT. Yesterday's AMT tax bill was just a sham, and is likely to go nowhere. With this package, Republicans knowingly and deliberately have removed the AMT correction and thereby will increase the taxes on more than 17 million middle-class working families next year by failing to extend the higher exemptions for the Alternative Minimum Tax (AMT) that expire in several weeks. If we fail to include this in budget reconciliation, it will grow to 19 million taxpayers next year. More than half of all couples with two children and income between $75,000 and $100,000 will have to pay AMT next year. This is wrong and should be addressed.

We could solve this problem today by slightly reducing the recent tax cut for those making more then $1 million a year. Republicans are so determined to extend tax cuts for the wealthy that they are willing to deny relief to the middle class.

Mr. Speaker, these votes ae about our priorities and values. I ask my colleagues to change the priorities of this Congress.

Mr. HIGGINS. Mr. Speaker, I rise to express my opposition to the irresponsible tax reconciliation bill the House passed earlier today. I strongly support tax relief, but I oppose this bill because it does not target tax relief to middle class families, because it is paid for by slashing health care and education programs and because it will needlessly increase our national debt.

Mr. Speaker, this tax bill is the second half of a misguided budget reconciliation package that raids the wallets of my Western New York constituents and gives their money to those making over a million dollars. The first half of the budget reconciliation occurred last month, when the Majority passed a series of devastating spending cuts to health and education programs in order to free up funding for these tax cuts. That means that these tax cuts are paid for by cutting $11 billion from Medicaid at a time when over 45 million Americans are without health insurance. They are paid for by throwing 300,000 people off food stamps when hunger in this country is on the rise.

They are paid for by slashing $14 billion from student loan programs when the cost of college tuition is skyrocketing. And they are paid for by cutting child support enforcement and foster care programs.

Mr. Speaker, the tax reconciliation bill is paid for out of the pockets of the middle class, yet working families receive little of its benefits. If this bill were a serious attempt to provide real tax relief to the middle class it would include an extension of the alternative minimum tax (AMT) fix. The AMT fix is set to expire at the end of the year, and without an extension taxes will increase on the 17 million middle class families who will be snared by the AMT. Yet this legislation does not include AMT relief. Instead, the centerpiece of this bill is a reduction of tax rates for capital gains and corporate dividends. Mr. Speaker, taxing investment income at a lower rate than earned income is rewarding wealth, not work. A fairer bill would have reduced taxes on the paychecks of the middle class working families who most need and deserve it.

Mr. Speaker, not only does this reconciliation package slash programs for working families and fail to target tax relief at the middle class, but it does nothing at all to reduce the federal budget deficit or the national debt. In fact, this package increases the deficit because it reduces spending by $50 billion and cuts taxes by $56 billion. In other words, this so-called ''deficit reduction'' package actually increases the deficit to the tune of $6 billion! Maybe this fiscal approach explains why the Chairman of the President's own Commission on Tax Reform said recently that he was not worried by tax policies that increase the national debt because we can always borrow some more from China. But I refuse to pass this bill and saddle the elementary school children in Jamestown and Buffalo with that debt.

Mr. Speaker, I support tax cuts. I supported the AMT stand-alone bill because the bulk of that relief goes to middle class families, and I will continue to support tax cuts for working Americans. I am not philosophically opposed to tax cuts for upper income Americans. But there is a proper time for everything, and at this juncture—when we are running record budget deficits, when we are funding our troops in Iraq, and when we are incurring huge costs to recover from Hurricane Katrina—at this juncture, we cannot cut taxes to the rich and increase the burden on the middle class. Buffalo won't hear it and neither will I.

Ms. BALDWIN. Mr. Speaker, like many of my colleagues, I spent much of the Thanksgiving recess holding office hours throughout my congressional district to listen to the concerns of my constituents. Understandably, I heard how worried they are about skyrocketing energy prices, our lack of progress in Iraq, rising health care costs, and the recently passed budget cuts that predominately hurt the poor.

One need look no further than the tax bill on the floor today to see why many Americans are frustrated and disappointed with the work of this Congress. Republicans just don't seem to get it. Instead of trying to make progress on the pressing issues facing American families, House Republican's top priority is passing this $56 billion tax bill that primarily benefits wealthy investors. H.R. 4297 is truly shameful as it clearly puts enriching the wealthiest Americans before the biggest concerns of working Americans.

The centerpiece of the Republican's tax bill today is a $20 billion provision that would extend tax rate cuts for investors who receive capital gains or corporate dividends. According to Citizens for Tax Justice, the vast majority of Americans would receive no benefit at all from this tax provision.

Specifically, 78 percent of Americans would get no tax benefit from the capital gains and dividends provision, while an additional 10 percent would get less than $100. In my home State of Wisconsin, the wealthiest 1 percent of taxpayers (those with an average income of more than $1.3 million) would receive 43 percent of the tax benefits, or an average tax cut of $18,523 in 2009 and 2010 combined.

This bill does contain a number of tax measures I strongly support, such as the extension of the important research and development tax credit, the state sales tax deduction, and the college tuition tax credit. These provisions are good for our Nation and working families, but they should not be simply used as ''sweeteners'' to garner more support for the underlying bill and more tax cuts for investors.

I find it heartless that Republicans would bring this bill to the House floor right after they I passed a Budget Reconciliation bill that makes harmful cuts to health care for children and the elderly, food stamps for needy families, student loans, and child support enforcement. Let us be clear: these $50 billion in budget cuts were made solely to pay for these tax cuts for the wealthiest Americans. How can any Member of this Congress who has an ounce of compassion—justify making college students, the poor, children, and the elderly shoulder the cost of providing more tax cuts for the wealthy? I certainly cannot.

In Wisconsin, 91,000 children lack health insurance, up over 7% in just the last year. American families are struggling with soaring costs for fuel, housing, health care, child care, and college. Yet today, this Congress again turns a deaf ear to those concerns—not to reduce the deficit, not to pay for the war in Iraq, not to help the hurricane and tornado victims of 2005, but simply to satisfy those whose greed has no bounds.

Mr. Speaker, H.R. 4297 is a sad indication of who House Republicans are fighting for in this Congress. It should come as no surprise as we have seen the very wealthiest Americans receive special tax breaks every year since President Bush took office. The question today is whether this House will ever stand up for the many, not just the few, with budget and tax policies focused on need, not greed? I strongly urge my colleagues to vote against this bill.

Mr. LANGEVIN. Mr. Speaker, today I rise in strong support of the Rangel Substitute to H.R. 4297, the Tax Reconciliation Act and in opposition to the underlying bill. Instead of stopping a tax increase for the middle class in 2006, Republicans have chosen to keep taxes low for the wealthiest Americans in 2009. What kind of priorities favor the wealthy in the future over working families today? We can ill afford the continued ''tax cut and spend'' mentality that has marked the House during the last few years. Without a change in fiscal policy, future generations will be buried under a mountain of debt created by Congress.

The bill before us today has many provisions I support, including the extension of the research and development tax credit, small business expensing, the deduction of higher education expenses, and brownfield sites expensing. In fact, I am a cosponsor of a bill to make the Research and Development Tax Credit permanent, as it keeps American companies competitive and provides a strong incentive for businesses to invest in the future and create jobs. I also support other provisions in this bill that help make college more affordable to millions of students and allow teachers to deduct out-of-pocket expenses.

Unfortunately, the Republicans did not stop there. H.R. 4297 also includes a two year extension of the capital gains and dividend tax cuts, which are not scheduled to expire until 2008. Nearly half of these tax cuts will go directly into the pockets of the 1 in 500 taxpayers who earn more than $1 million per year. The contrast is stark: those who earn less than $40,000 will see an average tax cut of $7, while those earning more than a million will save an average of $32,000 in taxes.

While Republicans claim that the dividend tax cut boosts the economy, the facts are not on their side. The Federal Reserve Board recently released a report declaring that the dividend tax cuts of 2003 have not boosted the stock market. To quote the report, ''We fail to find much, if any, imprint of the dividend tax cut news on the value of the aggregate stock market.'' There you have it: the Nation's top economists have determined that dividend tax reduction does not boost the stock market or increase wealth for shareholders.

Most disingenuous is the fact that just three weeks ago, the House voted to cut Medicaid, student loans, foster care assistance, and food stamps under the guise of deficit reduction. However, today, we are voting for tax cuts that cost more than the money saved from the spending cuts. The Republicans have exposed their real agenda: they are robbing the poor to pay the rich.

This year, we have a projected deficit of more than $300 billion. In addition, we will spend billions more in Iraq and Afghanistan, as well as rebuilding the Gulf Coast in the wake of Hurricanes Katrina, Rita, and Wilma. We simply cannot afford all of these emergency expenses while cutting taxes for the richest Americans.

Thankfully, there is an alternative. The Rangel Substitute includes all the noncontroversial tax extensions I mentioned earlier and also contains three important provisions not found in H.R. 4297. First, the substitute drops the capital gains and dividend tax cuts in order to fix the Alternative Minimum Tax (AMT). The substitute would eliminate AMT liability for individuals who earn less than $100,000 and joint filers with incomes below $200,000, cutting taxes for 16 million families. Without this provision, more than half of all families with two children and incomes between $75,000 and $100,000 will be saddled with the AMT. This tax increase hits the middle class, and the Republicans are content to sit idly and let it happen. The Democratic AMT fix is similar to the Senate-passed tax reconciliation legislation, which would ensure a speedy conference and protect taxpayers before the provision expires at the end of the year.

In addition, the substitute extends the tax-free status of combat pay. While our military personnel are risking their lives abroad to keep us safe, the least we can do is prevent burdening them and their families with a huge tax increase.

Best of all, the substitute is fully offset, and will not add a dime to the national debt. The Rangel substitute will revive the economy, relieve the tax burden on working families, encourage companies to invest in the future, and create jobs. The Republican bill will hand out money to rich people and increase the deficit.

The Rangel Substitute is a common-sense alternative that prevents a tax increase on working families, honors our troops, and does not cost a dime. We need responsible tax policies instead of the reverse Robin Hood approach taken by Republicans. I urge my colleagues to join me in supporting the Rangel Substitute and opposing the underlying bill.

Mr. COSTELLO. Mr. Speaker, I rise day in opposition to H.R. 4297, the Tax Relief Extension Reconciliation Act. I do so because I do not believe we should be cutting taxes for the wealthiest Americans while we are at war and at the same time cutting programs for our most vulnerable populations and adding to the staggering debt load of our children and grandchildren. This bill is not fiscally responsible, and we neglect the ramifications of the budget priorities of the majority party to the detriment of the country.

Governments on every level—from local to Federal—are running record deficits; the number of uninsured Americans is on the rise; people continue to go without heat, food or shelter as an abnormally cold winter persists; and the cost of health care and education continue to rise. The tax cuts contained in H.R. 4297 overwhelmingly benefit affluent investors in the wake of the House cutting programs for the poor by $50 billion in the name of deficit reduction. We continue to spend over $6 billion per month in Iraq and cut taxes while asking the least well off to pay for it. It's reverse Robin Hood—taking from the poor and giving to the rich—and this is something I cannot and will not support.

We must take stock and look at the reality of our fiscal situation—deficits are rising with no end in sight—while the poor, the sick and the elderly pay the price. I believe tax cuts can be part of a reasonable approach to the Federal budget, but that we have reached a point with our deficit and debt where we must exercise extreme caution in using them. As Robert Bixby of the nonpartisan Concord Coalition was quoted in today's Washington Post, ''If they (Republicans) want to cut taxes, fine, but they are going to have to cut spending by at least that much to help the deficit, and clearly they are not willing to do that. They (Republicans) have to start looking reality in the face.'' The $5.6 trillion surplus that existed in 2000 has been squandered. Future generations will pick up the tab.

The Republican tax cut bill is bad policy and I urge my colleagues to join me in voting no on H.R. 4297.

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise today in strong opposition to H.R. 4297, the Tax Reconciliation bill. Cutting taxes for the super rich, and ignoring the needs of the poor and middle class, as this bill does, is a dangerous deviation from fiscal and moral responsibility.

As with every American, I too would like to see my taxes cut. Therefore my opposition to this bill does not stem from a deep-seated hostility toward the concept of tax cuts. Rather, my opposition is a plain and simple recognition that these proposed tax cuts are the wrong kind of cuts at precisely the wrong time.

Why are they wrong kind of tax cuts? Because they primarily benefit the super rich with little tax relief to middle class and poor Americans who need tax relief the most.

Why do they come at the wrong time? Because today our Federal Government is unable to meet the most essential needs of the majority of Americans. For example, 45 million Americans are without health insurance, too many American families cannot afford to send their children to college, and our American communities continue to be vulnerable to terrorist attacks here at home due to the underfunding of many essential homeland security programs.

Instead of investing in American families, this bill condones massive cuts to essential health, education, and programs designed to help women and children. And instead of fully funding programs such as those designed to support our emergency first responders in the case of a terrorist attack, we are using that money to pay for tax cuts for the super rich.

Add to this reality a costly war in Iraq, unprecedented spending for hurricane relief in the Gulf, and the escalating budget deficit, and it is very clear that now is the wrong time for these kinds of cut taxes.

Mr. Speaker, the Democrats have a fair and responsible solution. It is fair because, instead of cutting taxes for the super rich, our substitute bill is designed to put hardworking middle-class Americans first in line for tax relief. For example, our substitute bill protects the majority of American families who will negatively be affected by the Alternative Minimum Tax. It is responsible because it avoids further reckless spending by eliminating the extension of capital gains and dividend tax cuts that will add to the enormous deficit that will have to be paid by future generations.

As a grandmother myself, I believe it is morally reprehensible to leave my grandchildren to bear the burden of debt-relief because we spent our money on more tax cuts for the wealthy today.

To set the right course for future generations, we must make it our priority to improve the quality of life for all Americans; not just the lives of the privileged few. This tax-cut bill before us is needless, reckless spending and should be rejected.

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

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

The SPEAKER pro tempore (Mr. GINGREY). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment in the nature of a substitute printed in House Report 109–330 offered by Mr. RANGEL:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE, ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Relief Extension Reconciliation Act of 2005''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title, etc.

TITLE I—EXTENSIONS OF CERTAIN PROVISIONS THROUGH 2006

Sec. 101. Allowance of nonrefundable personal credits against regular and minimum tax liability.
Sec. 102. State and local general sales taxes.
Sec. 103. Research credit.
Sec. 104. Qualified tuition and related expenses.
Sec. 105. Certain expenses of elementary and secondary school teachers.
Sec. 106. Qualified Zone Academy Bonds.
Sec. 107. Tax incentives for business activities on Indian reservations.
Sec. 108. Deduction for corporate donations of computer technology and equipment.
Sec. 109. Availability of medical savings accounts.
Sec. 110. 15-year cost recovery for leasehold improvements.
Sec. 111. 15-year cost recovery for restaurant improvements.
Sec. 112. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.
Sec. 113. District of Columbia Enterprise Zone.
Sec. 114. Possession tax credit with respect to American Samoa.
Sec. 115. Parity in the application of certain limits to mental health benefits.
Sec. 116. Election to include combat pay under earned income credit.
Sec. 117. Work opportunity credit.
Sec. 118. Welfare-to-work credit.
Sec. 119. Extension of expensing of environmental remediation costs.
Sec. 120. Temporary relief from the alternative minimum tax.

TITLE II—REDUCTION IN BENEFIT OF RATE REDUCTION FOR FAMILIES WITH INCOMES OVER $1,000,000

Sec. 201. Reduction in benefit of rate reduction for families with incomes over $1,000,000.

TITLE III—MISCELLANEOUS PROVISIONS

Sec. 301. Modification of active business definition under section 355.
Sec. 302. Veterans' mortgage bonds.
Sec. 303. Capital gains treatment for certain self-created musical works.
Sec. 304. Vessel tonnage limit.
Sec. 305. Clarification of taxation of certain settlement funds.

TITLE I—EXTENSIONS OF CERTAIN PROVISIONS THROUGH 2006

SECTION 101. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (2) of section 26(a) (relating to special rule for taxable years 2000 through 2005) is amended—

(1) in the text by striking ''or 2005'' and inserting ''2005, or 2006'', and

(2) in the heading by striking ''2005'' and inserting ''2006''.

(b) CONFORMING PROVISIONS.—

(1) Subsection (i) of section 904 (relating to coordination with nonrefundable personal credits) is amended by striking ''or 2005'' and inserting ''2005, or 2006''.

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2006.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

SEC. 102. STATE AND LOCAL GENERAL SALES TAXES.

(a) IN GENERAL.—Subparagraph (I) of section 164(b)(5) (relating to application of paragraph) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 103. RESEARCH CREDIT.

(a) EXTENSION.—

(1) IN GENERAL.—Subparagraph (B) of section 41(h)(1) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(2) CONFORMING AMENDMENT.—Subparagraph (D) of section 45C(b)(1) (relating to special rule) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after December 31, 2005.

(b) INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) (relating to election of alternative incremental credit) is amended—

(A) by striking ''2.65 percent'' and inserting ''3 percent'',

(B) by striking ''3.2 percent'' and inserting ''4 percent'', and

(C) by striking ''3.75 percent'' and inserting ''5 percent''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

(c) ALTERNATIVE SIMPLIFIED CREDIT FOR QUALIFIED RESEARCH EXPENSES.—

(1) IN GENERAL.—Subsection (c) of section 41 (relating to base amount) is amended by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively, and by inserting after paragraph (4) the following new paragraph:

''(5) ELECTION OF ALTERNATIVE SIMPLIFIED CREDIT.—

''(A) IN GENERAL.—At the election of the taxpayer, the credit determined under subsection (a)(1) shall be equal to 12 percent of so much of the qualified research expenses for the taxable year as exceeds 50 percent of the average qualified research expenses for the 3 taxable years preceding the taxable year for which the credit is being determined.

''(B) SPECIAL RULE IN CASE OF NO QUALIFIED RESEARCH EXPENSES IN ANY OF 3 PRECEDING TAXABLE YEARS.—

''(i) TAXPAYERS TO WHICH SUBPARAGRAPH APPLIES.—The credit under this paragraph shall be determined under this subparagraph if the taxpayer has no qualified research expenses in any one of the 3 taxable years preceding the taxable year for which the credit is being determined.

''(ii) CREDIT RATE.—The credit determined under this subparagraph shall be equal to 6 percent of the qualified research expenses for the taxable year.

''(C) ELECTION.—An election under this paragraph shall apply to the taxable year for which made and all succeeding taxable years unless revoked with the consent of the Secretary. An election under this paragraph may not be made for any taxable year to which an election under paragraph (4) applies.''.

(2) COORDINATION WITH ELECTION OF ALTERNATIVE INCREMENTAL CREDIT.—

(A) IN GENERAL.—Section 41(c)(4)(B) (relating to election) is amended by adding at the end the following: ''An election under this paragraph may not be made for any taxable year to which an election under paragraph (5) applies.''.

(B) TRANSITION RULE.—In the case of an election under section 41(c)(4) of the Internal Revenue Code of 1986 which applies to the taxable year which includes the date of the enactment of this Act, such election shall be treated as revoked with the consent of the Secretary of the Treasury if the taxpayer makes an election under section 41(c)(5) of such Code (as added by subsection (a)) for such year.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 104. QUALIFIED TUITION AND RELATED EXPENSES.

(a) IN GENERAL.—Subsection (e) of section 222 (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) LIMITATIONS.—Paragraph (2) of section 222(b) (relating to applicable dollar limit) is amended by striking subparagraphs (A) and (B), by redesignating subparagraph (C) as subparagraph (B), and by inserting before subparagraph (B) (as so redesignated) the following:

''(A) 2006.—In the case of a taxable year beginning in 2006, the applicable dollar amount shall be equal to—

''(i) in the case of a taxpayer whose adjusted gross income for the taxable year does not exceed $65,000 ($130,000 in the case of a joint return), $4,000,

''(ii) in the case of a taxpayer not described in clause (i) whose adjusted gross income for the taxable year does not exceed $80,000 ($160,000 in the case of a joint return), $2,000, and

''(iii) in the case of any other taxpayer, zero.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made in taxable years beginning after December 31, 2005.

SEC. 105. CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Subparagraph (D) of section 62(a)(2) (relating to certain expenses of elementary and secondary school teachers) is amended by striking ''or 2005'' and inserting ''2005, or 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to expenses paid or incurred in taxable years beginning after December 31, 2005.

SEC. 106. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) (relating to national limit) is amended by striking ''and 2005'' and inserting ''2005, and 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after December 31, 2005.

SEC. 107. TAX INCENTIVES FOR BUSINESS ACTIVITIES ON INDIAN RESERVATIONS.

(a) INDIAN EMPLOYMENT TAX CREDIT.—

(1) IN GENERAL.—Subsection (f) of section 45A (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to taxable years beginning after December 31, 2005.

(b) ACCELERATED DEPRECIATION FOR BUSINESS PROPERTY ON INDIAN RESERVATIONS.—

(1) IN GENERAL.—Paragraph (8) of section 168(j) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to property placed in service after December 31, 2005.

SEC. 108. DEDUCTION FOR CORPORATE DONATIONS OF COMPUTER TECHNOLOGY AND EQUIPMENT.

(a) IN GENERAL.—Subparagraph (G) of section 170(e)(6) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to contributions made in taxable years beginning after December 31, 2005.

SEC. 109. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking ''2005'' each place it appears in the text and headings and inserting ''2006''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended—

(A) in the text by striking ''or 2004'' each place it appears and inserting ''2004, or 2005'', and

(B) in the heading by striking ''OR 2004'' and inserting ''2004, OR 2005''.

(2) Subparagraph (A) of section 220(j)(4) is amended by striking ''and 2004'' and inserting ''2004, and 2005''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(d) TIME FOR FILING REPORTS, ETC.—

(1) The report required by section 220(j)(4) of the Internal Revenue Code of 1986 to be made on August 1, 2005, shall be treated as timely if made before the close of the 90-day period beginning on the date of the enactment of this Act.

(2) The determination and publication required by section 220(j)(5) of such Code with respect to calendar year 2005 shall be treated as timely if made before the close of the 120-day period beginning on the date of the enactment of this Act. If the determination under the preceding sentence is that 2005 is a cut-off year under section 220(i) of such Code, the cut-off date under such section 220(i) shall be the last day of such 120-day period.

SEC. 110. 15-YEAR COST RECOVERY FOR LEASEHOLD IMPROVEMENTS.

(a) IN GENERAL.—Clause (iv) of section 168(e)(3)(E) (relating to 15-year property) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to property placed in service after December 31, 2005.

SEC. 111. 15-YEAR COST RECOVERY FOR RESTAURANT IMPROVEMENTS.

(a) IN GENERAL.—Clause (v) of section 168(e)(3)(E) (relating to 15-year property) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to property placed in service after December 31, 2005.

SEC. 112. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) (relating to oil and natural gas produced from marginal properties) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 113. DISTRICT OF COLUMBIA ENTERPRISE ZONE.

(a) PERIOD FOR WHICH DESIGNATION APPLICABLE.—Subsection (f) of section 1400 (relating to time for which designation applicable) is amended by striking ''December 31, 2005'' both places it appears and inserting ''December 31, 2006''.

(b) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—Subsection (b) of section 1400A (relating to period of applicability) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(c) ZERO PERCENT CAPITAL GAINS RATE.—

(1) IN GENERAL.—Subsection (b) of section 1400B (relating to DC Zone Asset) is amended by striking ''January 1, 2006'' each place it appears and inserting ''January 1, 2007''.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (2) of section 1400B(e) (relating to gain before 1998 and after 2010 not qualified) is amended—

(i) by striking ''December 31, 2010'' and inserting ''December 31, 2011'', and

(ii) by striking ''2010'' in the heading and inserting ''2011''.

(B) Paragraph (2) of section 1400B(g) (relating to sales and exchanges of interests in partnerships and S corporations which are DC Zone businesses) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(C) Subsection (d) of section 1400F (relating to certain rules to apply) is amended by striking ''December 31, 2010'' and inserting ''December 31, 2011''.

(d) FIRST-TIME HOMEBUYER CREDIT FOR DISTRICT OF COLUMBIA.—Subsection (i) of section 1400C (relating to application of section) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on January 1, 2006.

(2) TAX-EXEMPT ECONOMIC DEVELOPMENT BONDS.—The amendment made by subsection (b) shall apply to obligations issued after the date of the enactment of this Act.

SEC. 114. POSSESSION TAX CREDIT WITH RESPECT TO AMERICAN SAMOA.

(a) IN GENERAL.—Subparagraph (A) of section 936(j)(8) (relating to special rules for certain possessions) is amended by inserting before the period at the end the following: ''(before January 1, 2007, in the case of American Samoa)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 115. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Paragraph (3) of section 9812(f) (relating to application of section) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATES.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 116. ELECTION TO INCLUDE COMBAT PAY UNDER EARNED INCOME CREDIT.

(a) IN GENERAL.—Subclause (II) of section 32(c)(2)(B)(vi) (defining earned income) is amended by striking ''January 1, 2006'' and inserting ''January 1, 2007''.

(b) SPECIAL RULE.—The amount of any refund to which an individual is entitled by reason of amendment made by subsection (a) shall not exceed the aggregate liability reflected in the individual's tax account (determined by taking into account the taxable year and all prior taxable years).

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 117. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) INCREASE IN AGE LIMIT FOR FOOD STAMP RECIPIENTS.—Clause (i) of section 51(d)(8)(A) (relating to qualified food stamp recipient) is amended by striking ''25'' and inserting ''35''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after December 31, 2005.

SEC. 118. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2005.

SEC. 119. EXTENSION OF EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Subsection (h) of section 198 (relating to termination) is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to expenditures paid or incurred after December 31, 2005.

SEC. 120. TEMPORARY RELIEF FROM THE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 55 (relating to alternative minimum tax imposed) is amended by adding at the end the following new subsection:

''(f) EXEMPTION FOR INDIVIDUALS FOR TAXABLE YEARS BEGINNING IN 2006.—For any taxable year beginning in 2006, in the case of an individual—

''(1) IN GENERAL.—The tentative minimum tax of the taxpayer shall be zero if the adjusted gross income of the taxpayer (as determined for purposes of the regular tax) is equal to or less than the threshold amount.

''(2) PHASEIN OF LIABILITY ABOVE EXEMPTION LEVEL.—In the case of a taxpayer whose adjusted gross income exceeds the threshold amount but does not exceed $112,500 ($225,000 in the case of a joint return), the tax imposed by subsection (a) shall be the amount which bears the same ratio to such tax (determined without regard to this subsection) as—

''(A) the excess of—

''(i) the adjusted gross income of the taxpayer (as determined for purposes of the regular tax), over

''(ii) the threshold amount, bears to

''(B) $12,500 ($25,000 in the case of a joint return).

''(3) THRESHOLD AMOUNT.—For purposes of this paragraph, the term 'threshold amount' means $100,000 ($200,000 in the case of a joint return).

''(4) ESTATES AND TRUSTS.—This subsection shall not apply to any estate or trust.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

TITLE II—REDUCTION IN BENEFIT OF RATE REDUCTION FOR FAMILIES WITH INCOMES OVER $1,000,000

SEC. 201. REDUCTION IN BENEFIT OF RATE REDUCTION FOR FAMILIES WITH INCOMES OVER $1,000,000.

(a) GENERAL RULE.—Section 1 (relating to imposition of tax on individuals) is amended by adding at the end the following new subsection:

''(j) REDUCTION IN BENEFIT OF RATE REDUCTION FOR FAMILIES WITH INCOMES OVER $1,000,000.—

''(1) IN GENERAL.—If the adjusted gross income of a taxpayer exceeds the threshold amount, the tax imposed by this section (determined without regard to this subsection) shall be increased by an amount equal to 1.45 percent of so much of the adjusted gross income as exceeds the threshold amount.

''(2) THRESHOLD AMOUNTS.—For purposes of this subsection, the term 'threshold amount' means—

''(A) $1,000,000 in the case of a joint return, and

''(B) $500,000 in the case of any other return.

''(3) TAX NOT TO APPLY TO ESTATES AND TRUSTS.—This subsection shall not apply to an estate or trust.

''(4) SPECIAL RULE.—For purposes of section 55, the amount of the regular tax shall be determined without regard to this subsection.

''(5) TERMINATION.—This subsection shall not apply to taxable years beginning after December 31, 2010.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

(c) SECTION 15 NOT TO APPLY.—The amendment made by subsection (a) shall not be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. MODIFICATION OF ACTIVE BUSINESS DEFINITION UNDER SECTION 355.

Subsection (b) of section 355 (defining active conduct of a trade or business) is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE RELATING TO ACTIVE BUSINESS REQUIREMENT.—

''(A) IN GENERAL.—In the case of any distribution made after the date of the enactment of this paragraph and before December 31, 2010, a corporation shall be treated as meeting the requirement of paragraph (2)(A) if and only if such corporation is engaged in the active conduct of a trade or business.

''(B) AFFILIATED GROUP RULE.—For purposes of subparagraph (A), all members of such corporation's separate affiliated group shall be treated as one corporation. For purposes of the preceding sentence, a corporation's separate affiliated group is the affiliated group which would be determined under section 1504(a) if such corporation were the common parent and section 1504(b) did not apply.

''(C) TRANSITION RULE.—Subparagraph (A) shall not apply to any distribution pursuant to a transaction which is—

''(i) made pursuant to an agreement which was binding on the date of the enactment of this paragraph and at all times thereafter,

''(ii) described in a ruling request submitted to the Internal Revenue Service on or before such date, or

''(iii) described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

The preceding sentence shall not apply if the distributing corporation elects not to have such sentence apply to distributions of such corporation. Any such election, once made, shall be irrevocable.

''(D) SPECIAL RULE FOR CERTAIN PRE-ENACTMENT DISTRIBUTIONS.—For purposes of determining the continued qualification under paragraph (2)(A) of distributions made before the date of the enactment of this paragraph as a result of an acquisition, disposition, or other restructuring after such date and before December 31, 2010, such distribution shall be treated as made after the date of the enactment of this paragraph for purposes of applying subparagraphs (A) through (C) of this paragraph.''.

SEC. 302. VETERANS' MORTGAGE BONDS.

(a) ALL VETERANS ELIGIBLE FOR STATE HOME LOAN PROGRAMS FUNDED BY QUALIFIED VETERANS' MORTGAGE BONDS.—

(1) IN GENERAL.—Paragraph (4) of section 143(l) (defining qualified veteran) is amended—

(A) by striking ''at some time before January 1, 1977'' in subparagraph (A), and

(B) by striking subparagraph (B) and inserting the following:

''(B) who applied for the financing before the date 25 years after the last on which such veteran left active service.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to financing provided after the date of the enactment of this Act.

(b) REVISION OF STATE VETERANS LIMIT.—

(1) IN GENERAL.—Subparagraph (B) of section 143(l)(3) (relating to volume limitation) is amended to read as follows:

''(B) STATE VETERANS LIMIT.—

''(i) IN GENERAL.—A State veterans limit for any calendar year is the amount equal to—

''(I) $53,750,000 for the State of Texas,

''(II) $66,250,000 for the State of California,

''(III) $25,000,000 for the State of Oregon,

''(IV) $25,000,000 for the State of Wisconsin, and

''(V) $25,000,000 for the State of Alaska.

''(ii) PHASEIN.—In the case of calendar years beginning before 2010, clause (i) shall be applied by substituting for each of the dollar amounts therein by the applicable percentage. For purposes of the preceding sentence, the applicable percentage shall be determined in accordance with the following table:

Calendar Year:	Applicable percentage is:
2006	20 percent
2007	40 percent
2008	60 percent
2009	80 percent.

''(iii) TERMINATION.—The State veterans limit for any calendar year after 2010 is zero.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to bonds issued after December 31, 2005.

SEC. 303. CAPITAL GAINS TREATMENT FOR CERTAIN SELF-CREATED MUSICAL WORKS.

(a) IN GENERAL.—Subsection (b) of section 1221 (relating to capital asset defined) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) SALE OR EXCHANGE OF SELF-CREATED MUSICAL WORKS.—At the election of the taxpayer, paragraphs (1) and (3) of subsection (a) shall not apply with respect to any sale or exchange before January 1, 2011, of musical compositions or copyrights in musical works by a taxpayer described in subsection (a)(3).''.

(b) LIMITATION ON CHARITABLE CONTRIBUTIONS.—Subparagraph (A) of section 170(e)(1) is amended by inserting ''(determined without regard to section 1221(b)(3))'' after ''long-term capital gain''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales and exchanges in taxable years beginning after the date of the enactment of this Act.

SEC. 304. VESSEL TONNAGE LIMIT.

(a) IN GENERAL.—Paragraph (4) of section 1355(a) (relating to qualifying vessel) is amended by inserting ''(6,000, in the case of taxable years beginning after December 31, 2005, and ending before January 1, 2011)'' after ''10,000''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2005.

SEC. 305. CLARIFICATION OF TAXATION OF CERTAIN SETTLEMENT FUNDS.

(a) IN GENERAL.—Subsection (g) of section 468B (relating to clarification of taxation of certain funds) is amended to read as follows:

''(g) CLARIFICATION OF TAXATION OF CERTAIN FUNDS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), nothing in any provision of law shall be construed as providing that an escrow account, settlement fund, or similar fund is not subject to current income tax. The Secretary shall prescribe regulations providing for the taxation of any such account or fund whether as a grantor trust or otherwise.

''(2) EXEMPTION FROM TAX FOR CERTAIN SETTLEMENT FUNDS.—An escrow account, settlement fund, or similar fund shall be treated as beneficially owned by the United States and shall be exempt from taxation under this subtitle if—

''(A) it is established pursuant to a consent decree entered by a judge of a United States District Court,

''(B) it is created for the receipt of settlement payments as directed by a government entity for the sole purpose of resolving or satisfying one or more claims asserting liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980,

''(C) the authority and control over the expenditure of funds therein (including the expenditure of contributions thereto and any net earnings thereon) is with such government entity, and

''(D) upon termination, any remaining funds will be disbursed to such government entity for use in accordance with applicable law.

For purposes of this paragraph, the term 'government entity' means the United States, any State or political subdivision thereof, the District of Columbia, any possession of the United States, and any agency or instrumentality of any of the foregoing.

''(3) TERMINATION.—This subsection shall not apply to accounts and funds established after December 31, 2010.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to accounts and funds established after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to House Resolution 588, the gentleman from New York (Mr. RANGEL) and the gentleman from Michigan (Mr. CAMP) each will control 30 minutes.

The Chair recognizes the gentleman from New York.

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

Mr. Speaker, we have a Democrat substitute that really is not in sharp conflict with the Republican bill. Many things we tried and include and did suggest in the brief time we had to work on this bill. Basically, what we have done, though, is to pay more attention to the middle class that really are the victims of the alternative minimum tax than we pay attention to the richest of America who do not find their Republican tax cuts being threatened until 2009. Why did we do this? Is it merely a technicality? It is a very important difference.

Yes, we voted on the Suspension Calendar to provide relief for these people, not as much as we do in our substitute; but people have to understand the Suspension Calendar in the House is not protected under the other body's rules. They protected those people that they wanted to protect, those enjoying capital gains and will continue to enjoy capital gains and corporate dividend tax cuts until 2009. Why would they not include right in this bill, that would be protected on the other side, I do not know their political reasons.

But I do know this: what we refuse to do is to give tax cuts that would extend the deficit. We do not do that to generations that follow. Nor do we hit the poor who are sick or the kids that want to go to school or the foster kids or those kids that are dependent on money from their fathers who have abandoned their mothers. We do not do it in this season, nor do we do it anytime, because there is a difference in what we believe in.

I am suggesting this: if Members support the substitute, you are supporting deductions for State and local taxes, real estate taxes, the deduction for college tuition, the research credit they talk about that we agree is so important, the work opportunity tax credit, tax incentives for the District of Columbia and for Indian reservations, 15-year depreciation period for leasehold improvements and restaurant improvements, qualified zone academic bonds, the brownfields cleanups, and several other important, but minor, provisions.

What I am suggesting is that the major decision of those of you who will have to vote is whether or not you want to give $20 billion of tax relief to people who would not need it until 2009 at the expense not only of the deficit but at the expense of the poorest among us; or whether you want to take the good things that we could find in this bill, not increase the deficit and not cut the programs for the poor, and have a Democratic substitute that makes sense to the American people and, hopefully, to the House of Representatives.

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

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

Mr. Speaker, I would say to my friend from New York that we have dealt with the AMT issue. In our legislation, we did not choose to raise taxes, as the gentleman's substitute does, to the tune of $40 billion. So because of that, the AMT is done outside of the reconciliation process.

When I hear so many on the other side of the aisle talk about high-income earners, I remind Members that many small businesses in the United States file as individuals. So when they have this $40 billion tax increase, that is really on small businesses and the families that those small businesses support. According to the Treasury Department, 80 percent of the people affected by the $40 billion tax increase in their substitute are small and entrepreneurial businesses. That is the engine of job creation in America, and that is why our economy has recovered, because we have helped those small businesses.

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

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

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

Mr. LEVIN. Mr. Speaker, the issue here is priorities and choices. There are some similarities, but the differences are vast. Let us look at the whole picture here, the whole picture.

You have an alternative minimum tax that is going to hit millions of people if we do not act. We have $45 billion in extenders on which there is basic agreement. We have a reduction in the capital gains and dividends tax which continues for the next few years. We have proposed budget cuts. We also have the alleged, by the Republicans, need for fiscal discipline.

So what are their choices, because you cannot really do everything. So here is their choice: extend the dividends and capital gains reduction that continues in any event, extend it to 2009 and 2010 even though over 50 percent goes to people making $1 million a year. That is their first choice.

Their second choice is budget cuts: cuts in student loans, cuts in child support. And I want to say to my colleague from Michigan, administrative money for child support goes to raise money for children, not for bureaucrats. It is 4 to 5 dollars for every dollar we provide in administrative support. Essentially, what the Republicans do is to reduce the amount of money going to kids over the next 10 years by $24 billion.

Their choice also was to leave out the AMT from this bill, but then they bring up a bill yesterday, do not pay for it, and it can be objected to in the Senate and may not happen at all. So their choice is clear: tax relief that goes to people making a million bucks or more and cutting student loans, cutting food support for people who need it, and cutting child support which will mean reductions of $24 billion over the next 10 years. That is what the choices are here.

Mr. Speaker, they do not even maintain fiscal discipline, because if the AMT thing were to happen, it would be unpaid for and would add to the deficit. Our substitute has very different priorities. I urge its adoption.

□ 1300

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentlewoman from Pennsylvania (Ms. HART), a distinguished Member of the Ways and Means Committee.

Ms. HART. Mr. Speaker, I rise in opposition to the Democrat substitute. This proposal actually does not continue some very important provisions for low income Americans. It does not extend a savers credit which actually allows a match for savings for poorer people by the government. Their substitute does not include an expensing provision for small businesses that allows them to use more of their money instead of sending it to the government so that they can grow their business and create jobs. It does not allow a provision that provides tax benefits to those who clean up brownfield sites to encourage new job creation in some of our older towns. It does not include the most important provision, which is the reduced rate on capital gains and dividends that has created all of these new jobs.

Now, you do not have to be an economist to understand these lines. On the left-hand side, you see all the bars below the line. On the right-hand side, all the bars are above the line. And what do those bars represent? Well, on the first half it is from January 2001 until we passed the capital gains and dividends tax reductions.

Interestingly enough, taxes were high, investment was low. These bars show job losses. All of the bars underneath the line are job losses. We passed the capital gains cut, the dividends cut, what happens? Businesses save more of their money, reinvest, create jobs. All the bars above the line, they show an average job gain, per month, since we passed the capital gains and dividends cuts of 148,700 jobs. That is just an average. As you can see, some months were higher than others, but across the board we created almost 150,000 jobs a month as a result of a provision that the Democrat substitute would cancel.

I urge my colleagues to cancel the Democrat substitute.

Mr. RANGEL. There must be some chart around to show how many people were pushed into poverty during that same period of time and our wages have been reduced, but we have it in the back if any of our Members would like to use it.

Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. CARDIN), a distinguished Member of our Ways and Means Committee.

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

Mr. CARDIN. Mr. Speaker, let me thank the gentleman from New York for yielding me this time, and thank him for putting together a substitute that makes sense, that is an important bill. Yes, it is important to extend the expiring tax provisions, and the Rangel substitute does that. Research and development, the work opportunity tax credit, all the important tax provisions that will expire, the substitute extends those provisions. That is important.

The Rangel substitute does another thing that is extremely important. It deals with the alternative minimum tax affecting 16 million of our taxpayers of the 19 million that are under the alternative minimum tax. That is very important to get done. And the Rangel substitute deals with that. The Rangel substitute deals with other inequities in the Tax Code, correcting them and getting them done right. But the substitute does one more thing that is very important to be done, and that is it is fiscally responsible. It does not add to the national debt. We have huge deficits, and where do you think we get our money in order to pay the bills? Money is coming, not from foreign investors or U.S. investors, it is coming primarily from foreign-owned banks who are buying our currency not because it is a good investment, they are buying it in order to have a favorable exchange rate with the U.S. dollar so that they can send more products here into the United States.

It is important that we be fiscally responsible, that we do not add to the deficit. The Concord Coalition, a nonpartisan group that is only interested in trying to deal with the national debt, said that tax cuts need at a minimum to be offset, that we should not add to the deficit through the tax bills.

The Rangel substitute pays for these tax reliefs. It is fiscally responsible. It not only provides relief in the Tax Code that we need to provide for the taxpayers of this country, it does not burden this Nation and the future generations. And by the way, it is also good for growth. Our deficit hurts growth in this country. The Rangel substitute is sensitive to the need for us to make sure that we are on the right glide path to create jobs in our economy. Mr. Speaker, this is the right thing to do. We want to provide tax relief, but we should do it in a way that does not burden our children and grandchildren.

I urge my colleagues to support the Rangel substitute.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BRADY), a distinguished Member of the Ways and Means Committee.

Mr. BRADY of Texas. I appreciate my colleague from Michigan, his leadership in helping boost our economy, extend this tax relief. I strongly support the original bill over the substitute. The substitute takes a step backward in how we treat our soldiers and how we treat our families, small businesses that are affected by the alternative minimum tax, compared to legislation that this House passed just yesterday, we treated soldiers better, by providing them immediate cash refunds on their tax treatment. I do not want to step back from that today in the substitute. We help 2½ million more families and small businesses with their alternative minimum tax yesterday, again, almost nearly unanimously.

I do not want to step back from that with this substitute. And the original bill provides three provisions that are really helpful for a lot of families in this country. It extends for 1 year the sales tax deduction, which provides every family in the country a choice to deduct either their state and local income taxes or their State and local sales taxes. What it means is sales taxes, as you know, add up a great deal, add up fast for families. This tax relief just stretches the family paycheck a little farther and prevents hundreds of millions of dollars of tax increases on families that would start right after this Christmas holiday. That would be unfair. The original bill extends this. This also provides help to universities that receive dollars, higher education from the public higher

education utility fund that extends a provision that helps provide more higher education dollars for certain universities. And then it also, for 10 states, allows more veterans to get low interest home loans in order when they come back from the war in Iraq and the war on terrorism to get an opportunity to get that first home. That is very important to a state like Texas. I strongly support the underlying bill as very important tax relief for this country.

Mr. RANGEL. Mr. Speaker, I yield 3½ minutes to the gentleman from Tennessee (Mr. TANNER), an outstanding member of this committee who truly understands the problem of the deficit.

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

Mr. TANNER. Mr. Speaker, I think the American people just want to hear us try to get along and give them the level, be on the level with them, give them straight talk.

What has happened here in the last several years is we have reduced revenues with bills like this and increased spending. Now, you can do that for a little while, and all of us have done it from time to time, I assume, with our credit cards. But you cannot do it forever and every American knows that.

To give you some recent history, in 2002, we had to increase the debt limit of money that we could borrow by $450 billion in this country. In 2003, we had to increase it again by $984 billion. In 2004, again, by $800 billion. And in the budget resolution, it is not in this bill, they propose another $781 billion increase in the limit that we can borrow.

Now, what that means is, since 2001, the Federal debt has grown from 5.6 to $8.1 trillion. This is available on www.publicdebt.treas.gov. Do not take my word for it. Go, please, look it up. In 2004, 16 of 23 Federal agencies could not provide an acceptable audit. That is available at www.gao.gov. Right now, mainland China and Hong Kong have accumulated over $300 billion worth of our debt. That data is available on the Treasury Department's Web site. Again, this is not an argument. This is fact. Go look it up. I said the other day when I was talking, things are so bad with our borrowing out of control that if China attacked Taiwan, we would have to borrow the money from China to defend Taiwan. 16 percent of all the taxes we collect now in this country go to pay interest. And it gets worse by the minute. Interest on the public debt grew more rapidly than any other spending category in the Federal Government last year. In 2005 we paid in checks $184 billion, in checks. If you assume that we continue to do these tax bills without paying for them, the GAO projects that in the year 2040, every dime collected by this government will go to pay interest on past consumption on interest only debt.

Now, what does that mean? Where are we now? This is hard to imagine, but so far, in this fiscal year, we have borrowed $130 billion and spent $39 billion on interest in just the first 2 months of this fiscal year. November's $22 billion payment was the largest ever. Debt interest grew more rapidly in the first 2 months, 38 percent, relative to the same rate last year. The Federal Reserve is raising interest rates and has 12 times. Really, all I am saying is this. We are on an unsustainable financial glide path and every reputable economist will tell you that. We want to work with the Republicans. We want to try to do tax relief when it makes sense and makes more commerce happen and so forth. But we cannot do it because we cannot reach the real problem.

You know what the problem is around here? You let the PAYGO rules lapse in 2002. We do not have meaningful enforceable budget caps. We do not have a balanced budget amendment that has ever been voted on. And what we have is a failure of not only communication but a failure of management of the budget process. And we are getting deeper and deeper in trouble by the minute.

Mr. CAMP. Mr. Speaker, I yield 1 minute to the gentleman from Missouri (Mr. BLUNT), the distinguished majority leader.

Mr. BLUNT. Mr. Speaker, I am in opposition to the substitute because I am for the underlying bill and I am for the things it has done for our economy. One of the great changes that this bill showed in what happens in the Federal Government is a belief that people are better at solving economic problems than government is. When the tax structure that we are voting today to extend was put in place, the determination was made that we were in a difficult economic time, and the way to get out of that difficult economic time was to trust the people, not to come up with some big complicated government program, but to trust the people to let them keep more of their money, to put some minor incentives in the Tax Code to do whatever they wanted to do sooner, rather than later, but no incentive in the Tax Code to do a specific thing.

The incentive was to trust the American people to see what we could do to get the economy growing again and going again, and that is what has happened. But this is no time for that to stop. This is no time to say we should put the brakes on this economy, just because the unemployment rate is lower than the average of the 1970s, 1980s and 1990s. It is still 5 percent. We should want it to be lower than that. Just because income to the Federal Government increased last year at a rate three times the projection, the highest increase in Federal Government ever without a tax increase, how did that happen? It happened because the economy was working. It happened because more people had jobs, that $100 billion that came in in the fiscal year that ended September 30 that we did not anticipate, did not come in by accident. It came in because of a strong and growing economy. What the underlying bill does is say, let us not increase taxes. Let us keep the tax structure that is growing this economy in place. Let us send a signal that that tax structure is in place, at least until 2010, and it makes a difference.

□ 1315

I was listening to the debate earlier, and so much of the debate earlier was about wealthy Americans. Amazingly, those same Americans yesterday were the upper middle class. Overnight somehow the upper middle class became wealthy Americans.

But not just the upper middle class benefits from this. All Americans benefit from this in their own way. In the reduction in the capital gains rate, one out of five people that take advantage and benefit from the capital gains rate has an income below $50,000. Fifty-eight percent of the people that have a benefit from that have an income below $100,000.

The capital gains, I know these people, as other Members do. The janitor at school who has figured out how his renters help him pay for two rental houses, and every time the pipes freeze, he is crawling under that rental house. It has depreciated down to where the value for tax purposes may not be very high, but it is everything that man or woman had been able to accumulate, and that person benefits greatly from this 15 percent rate. Why raise that rate back? Why send a signal that that rate is going to go back?

The dividend tax, six times as many companies are paying dividends to people that own the company today as were paying dividends in just 2003 when we made that change. And the numbers are about the same. For the dividend rates, one out of four people that benefit from that tax make under $50,000. Fifty-nine percent of the people that benefit from that tax make under $100,000. Those are the same people that on this floor yesterday we talked about how important it was they not be negatively affected by the alternative minimum tax. I agree with that. So did everybody but four people on the floor of the House that voted yesterday.

I agree that we ought to continue these tax policies that are working for America. That means we need to reject the substitute, even a substitute from my good friend (Mr. RANGEL), and move to the underlying bill and keep this economy growing.

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

I have all the respect for the majority leader, and it is true that he knows some of these people that have gone from upper middle income to become higher-income people, and there are other people in this country that have seen middle-income people slip into the rolls of poverty. So in order to have a more well-balanced bill, we concentrated on the middle class by putting the alternative minimum tax into

this bill to make certain that when it gets to the body, it is protected and we do not have to depend on just one of those people over there rejecting it for this higher tax cut, which, of course, does not adversely affect anybody, as the majority leader said, until 2009.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. BECERRA), a hardworking member of the Ways and Means Committee.

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

Mr. Speaker, I urge the Members of this body to support the Rangel substitute.

If we recall the words of a famous President this country had, a man of heroic proportions, Harry Truman, he said, ''The buck stops here.'' And, unfortunately, we are forgetting the words of Harry Truman because today it seems like the mantra of the leadership in this House of Representatives is the buck stops with your children or perhaps your grandchildren, because we are in a portion of our Nation's history where we have run up national deficits bigger than we have ever seen in our life. We run up deficits in 1 year that it would have taken 200 years of Presidents to run up in the history of this Nation.

Mr. Speaker, in a time of disasters, Rita, Katrina, on and on; in a time of massive deficits; and in a time of war, it is irresponsible to run up the Nation's debt. It is irresponsible to then give money to run up this debt and give it to the wealthiest Americans in this Nation. Mr. Speaker, it is irresponsible to put debt on top of massive debt when we know at the end of the horizon there is still more debt that will come in the years to come: $27,000 is what each and every man, woman, and child in this country owes as a result of our Nation's debt.

It is irresponsible, Mr. Speaker, to take Social Security surplus money, which the President said back in 2001 he could protect and never touch as he moved forward with these tax cuts. It is irresponsible, Mr. Speaker, to take those Social Security surpluses and then contribute them to the wealthiest Americans. In essence, we are gifting the Social Security surplus moneys contributed by working Americans; we are gifting that to the wealthiest Americans in this country through these tax cuts.

Mr. Speaker, it is irresponsible to move forward with these tax cuts at the same time that we are telling American families, mostly middle class that rely on student loans so they can send their young men and women to college, their young daughters and sons are going to have to pay $5,000 more a year in their student loans so we can take care of the 1 percent wealthiest Americans in this Nation in these bills. It is irresponsible, Mr. Speaker, to move forward in that way.

It is irresponsible then to further say we still need to make more cuts and we need to go into the foster care program and take $600 million out of the foster care program which helps us take a child out of an abusive home and move that child into a safe setting. It is irresponsible to take $5 billion out of a child support system that says to deadbeat dads that we are going to take money from them, we need to enforce that, to take $5 billion, make it into cuts, and therefore make it more impossible for us to get those deadbeat dads to help the mothers who are taking care of their sons and daughters in this country. It is irresponsible.

Mr. Speaker, it is responsible when we have a Democratic substitute, as Mr. RANGEL has, that says we are going to cut taxes, but in a targeted way, for the middle class, in a responsible way by making sure we pay for it so we do not increase the size of the deficit. And that is what should pass, Mr. Speaker.

President Truman was right. The buck stops here. Let us do it today for ourselves. Let us not leave the debt to our children.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. CANTOR), distinguished member of the Ways and Means Committee.

Mr. CANTOR. Mr. Speaker, I rise in opposition to the substitute and in favor of the underlying bill.

I want to talk about some of the allegations that have been brought up in this debate. One is the fact that perhaps by continuing the tax policies or extending the reduction in tax rate, especially in the area of tax dividends and capital gains tax, that somehow we are aggravating the deficit. I think that the evidence is pretty conclusive that we have seen a tremendous stimulus and tremendous growth in revenues because of this tax policy.

If I could quote the Chairman of the Federal Reserve Board, back in June of this year he said: ''I do think that there are parts of the existing recent tax changes, especially with respect to eliminating part of the double taxation of dividends, which I think enhances economic growth, enhances the tax base and, therefore, tax revenues, and that it is good economic policy.''

The second point that I think is being made in favor of the substitute and opposing the underlying bill is saying that the extension of the reduction in tax rates on cap gains and dividends somehow is a tax cut for the rich. I could not disagree more. And, in fact, our own Joint Committee on Taxation, on the AMT extension's impact, compares the two, the one that we acted on yesterday and the one today. The AMT extension impacts 14 million taxpayers; 62 million taxpayers benefit from reduced rates on cap gains and dividends. And per the most recent IRS data, 96 percent of taxpayers hit by the AMT in 2003 had adjusted gross incomes in excess of $100,000. So it is clear.

Furthermore, the Joint Economic Committee says that 60 percent of those paying capital gains taxes earn less than $50,000 annually; 85 percent earn less than $100,000 annually.

This is about jobs. This is about creating jobs for America's families, and I urge rejection of the substitute and passage of the underlying bill.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio (Mrs. JONES), a distinguished member of the Ways and Means Committee.

(Mrs. JONES of Ohio asked and was given permission to revise and extend her remarks.)

Mrs. JONES of Ohio. Mr. Speaker, I would like to compliment my chairman, Mr. CHARLES RANGEL, for his leadership on this issue.

I am glad to be on the Ways and Means Committee and glad to have the opportunity to talk about some of these taxing issues.

It just amazes me that the majority can stand here and have the gall to tell veterans that they are going to treat them better, to tell the people of America that they are better at solving problems than the government and so we are going to give them two cents back to pay for a $100 bill; to have the gall to say that we are not going to create bigger government and then they created the biggest institution ever, the Homeland Security Department; and that has not taken care of poor people across this country, particularly the victims of Katrina and Rita as it goes on.

But can you imagine they will not tell the American people the truth. They will not tell them that last week we reduced programs so that this week we could extend taxes that do not even need to be extended. Can you contemplate that the extension of the capital gains dividends is going to cost us $50.7 billion over the next 10 years.

Now, work with me for a moment. If you work with me, you could understand that with that $50.7 billion, 12,571,089 people could have health care coverage; 959,230 elementary school teachers could be paid; 7,331,106 Head Start places for children who need a head start could go back to school; 32,565,528 children could receive health care; and, more importantly, we could build 6,514 new elementary schools in these United States.

But, instead, we are going to extend taxes beyond this year when we are still at war in Iraq and we are spending billions of dollars a day to give the Iraqi children what we will not even give our children right here at home.

My math works better than that. See, I know one plus one equals two. I understand that it is these United States that is supposed to be taking care of our babies and giving them a chance to go to school and giving them a chance to go to college. And for them to have the gall to say that a janitor sitting on a stool is going to save some money or get some money on capital gains, give me a break.

You know it is not the janitor sitting on the stool; you know it is the man who owns the janitorial company.

Mr. CAMP of Michigan. Mr. Speaker, and the $40 billion in taxes in the Democrat substitute certainly will not give many Americans a break.

Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. REYNOLDS), a distinguished member of the Ways and Means Committee.

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

Mr. REYNOLDS. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time.

Mr. Speaker, I rise today in strong support of H.R. 4297, the Tax Relief Extension Reconciliation Act of 2005, and in opposition to the Democrat substitute.

Mr. Speaker, the Ways and Means bill before us today addresses a number of important priorities that are broadly supported by Members on both sides of the aisle. These include tax savings for higher education expenses, small business tax relief, tax incentives for research and development by U.S. companies that create good jobs. The bill also includes an extension of the lower rates for capital gains and dividends, an important priority for the ever-growing investor class that will keep our economy strong and our domestic job base growing.

Mr. Speaker, as a lead sponsor of the Stealth Tax Relief Act of 2005, the legislation designed to prevent massive increases in the alternative minimum tax, or AMT, from sneaking up on millions of unsuspecting taxpayers next year, I want to take just a moment to comment on the Democrat substitute. Just 24 hours ago, the House passed my bill by an overwhelming bipartisan vote of 414–4. Together we sent a strong, unmistakable signal to our colleagues across the Capitol that extending the temporary AMT relief that is scheduled to expire in just a matter of weeks is an important priority that must be addressed.

□ 1330

But what does today's Democratic substitute do? Yes, it provides relief from AMT. To pay for it, the Democratic substitute increases taxes on families and on small businesses that create so many jobs in our community.

Mr. Speaker, just yesterday all but four Members of the Democratic Party supported AMT relief in the House for our hardworking middle class without increasing taxes. But today, just 24 hours later, our friends on the other side of the aisle are back singing a familiar tax-raising tune, one that always leaves families with less money in their wallets on April 15, and small businesses with less money on their balance sheets. The Democratic substitute should be defeated.

Mr. Speaker, earlier in this debate, a colleague on the other side of the aisle claimed that the Republican majority has done little to fight the AMT since winning the House in 1994. To the contrary. Our Republican majority has repeatedly provided temporary AMT relief since we took control, an effort which we continued yesterday with the passage of the Stealth Tax Relief Act.

I would further remind my friends on the other side of the aisle that in 1999 the Republican Congress sent a bill to the President's desk that would have repealed the AMT entirely. Unfortunately, no Democrats in the House supported that bill, and President Clinton vetoed it.

Finally, I would remind Members that in 1993, as an era of the Democratic control was coming to an end, one of the last things that our friends on the other side of the aisle did was to provide a retroactive increase for the AMT without indexing the exemption levels.

Mr. Speaker, I urge passage of our bill and defeat of the Democratic substitute.

Mr. RANGEL. Mr. Speaker, I agree with my distinguished friend from New York (Mr. REYNOLDS) that the Republicans did send a signal to protect the alternative minimum tax. We want to do a lot more.

Mr. Speaker, I yield 3 minutes to the gentleman from Washington (Mr. MCDERMOTT), who can explain the difference between what you want to do and what we want to do in this substitute.

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

Mr. MCDERMOTT. Mr. Speaker, you say one thing for political cover, and then you do another thing for your friends. That is what we are doing here today.

Just last month the Speaker said, ''I will tell you that the most mean-spirited thing we can do is leave our children with a debt they cannot pay.'' That came from the Speaker. That did not come from our side. That is the authority of the majority in this House.

Well, the words were right. But, you know, the Speaker knows, and I know him well, he went to a college where you know about the Bible. And there is a Bible verse that says, by their deeds ye shall know them. And it is the deeds out here that really make the difference.

Now, the difference between what happened yesterday and what is happening in the gentleman from New York's bill is very simply this. Yesterday you sent a signal. You sent a press release. You sent a message out up into the ether knowing, absolutely knowing, it would not pass, because it is not protected in the Senate. You know that. You know how to run this place.

You can confuse the people, but you cannot confuse anybody who knows what is going on in here. The fact is that the gentleman from New York's proposal is one that puts it in law and protects it so that we can do something about the AMT.

Let me say something about the AMT. I bet you most people listening to this do not know what AMT stands for. It stands for alternative minimum tax. It was put in in 1986 because there were people at the top of the scale who were not paying one single penny of tax.

So it was decided in this body that everybody who benefits from the United States of America should pay some taxes for a civil society. The failure to index that tax has allowed it to creep down to people making $75,000 or $100,000; and suddenly, instead of being a few people at the top, it is now 14 or 20 million, depending on how you want to figure. That was never the intent.

From 1994 to the present, you have allowed it to go from covering 200,000 people to 14-plus million people. You want to use that as an excuse for trying to get rid of the tax structure. And we know that it was intended and you know it was intended to tax everybody in this country.

The repeal that you tried to put through here under Clinton was an attempt to let the top off taxes at all. You simply wanted to give them an internal tax holiday if they could figure out how to manipulate the tax structure. The average janitor does not have a way to manipulate the system.

And that is why the gentleman from New York's (Mr. RANGEL) is the only honest way if you want to protect the middle class. I urge your vote for the alternative minimum tax proposal.

Mr. CAMP. Mr. Speaker, the current rate structure of the AMT was created by the Democrats in 1993 with no Republicans supporting the bill.

I yield 2 minutes to the gentleman from Texas (Mr. HENSARLING).

Mr. HENSARLING. Mr. Speaker, unless we enact H.R. 4297 and defeat the Democratic substitute, Americans will receive a most unwelcome Christmas gift from the Democrats, a huge automatic tax increase. This will cost families billions of dollars and jeopardize millions of their jobs.

Mr. Speaker, let me tell you just about a few of those jobs that could be lost in my east Texas district if the Democrats have their way in raising taxes. Hugh Dublin owns a small business called East Texas Right of Way in my district. He specializes in the leasing of land.

Due to tax relief, his company has grown from two full-time employees to four full-time employees. His two new employees are called Dan and David. They were unemployed. They were out of work. But due to the expansion of this business, they were able to start new careers.

The Democrats now want to raise taxes on Hugh Dublin and his small business. They want to jeopardize Dan and David's paychecks and replace them with welfare checks, and this they call compassion.

Eddie Alexander owns Triple S Electric in Henderson, Texas, an electrical contracting business. Since the passage of our economic growth program with tax relief, he has been able to hire two more full-time employees, Jared and

John, both of whom were out of work, but both now provide homes for their families. The Democrats want to raise taxes on Eddie Alexander and his small business.

They want to jeopardize Jared and John's paychecks and replace them with welfare checks, and this they call compassion.

Gil Travers owns Travers & Company, a home building company in Athens, Texas. Due to the housing boom from tax relief, they have had to hire three new workers, Jan, Calvin and Christy. They were all previously unemployed. They have been hired to help clean up all of the job sites from the new homes.

But the Democrats now want to raise taxes on Gil Travers and his small business. They want to jeopardize Jan's, Calvin's, and Christy's paychecks and replace them with welfare checks, and this they call compassion.

Mr. Speaker, tax relief has credited 4.4 million new tax-paying jobs with a future: 4.4 million hardworking Americans can now provide for their families this Christmas. And more than just providing food and shelter, these jobs are providing new-found hope and opportunity. We cannot go back. We must prevent this Democratic tax increase.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from South Carolina (Mr. SPRATT).

Mr. SPRATT. Mr. Speaker, over the last few days we have seen a flurry of tax cuts on the House floor: three yesterday, another one, a big one, today. And over the last 6 months, four other bills have been enacted that have tax cuts and concessions built into them, for example, the Energy Policy Act.

By breaking all of those tax cuts into small pieces and by burying them in other bills, not tax bills, the audit trail very quickly becomes hard to follow. It is hard to see the forest for the trees. Hard to see in the aggregate how all of these different tax cuts add up.

So let us look at the revenue scorecard over the last 6 months, bearing in mind that every delay of revenues cut is a dollar added to the deficit. First of all, the highway bill: $500 million. The Energy Policy Act: $6.9 billion over 5 years. The Katrina Emergency Tax Relief Act: $6.1 billion over 5 years. The Stealth Tax Relief Act, the 1-year extension, or patch, to the AMT adopted yesterday: $31.2 billion. Today's bill: $56.1 billion. The bill we adopted yesterday, a miscellany of small tax cuts, but it adds up to $153 million. And finally the Gulf Opportunity Zone Tax Act which was passed yesterday: $7.1 billion.

The total amount of all of these tax cuts comes to $108 billion. So if you pass this bill today, the total impact that you will have taken with today's vote and recent votes comes to 108.

But wait, it is not over yet. Because there is a provision in this bill, a provision in our substitute, a provision in yesterday's bill that indicates something has got to be done about the alternative minimum tax. We are going to have to fix the alternative minimum tax. If you fix it for 5 years, not 1, the aggregate effect of this fix, of all of the other tax cuts along with it, comes to $301 billion over 5 years.

That is the sum total that these tax cuts will add to the deficit, $301 billion if you fix the AMT next year and the following years the same way we are fixing it this year. So the net effect on the deficit is $301 billion in all political reality.

So every Member here who is in earnest about the deficit should be on notice. You have a choice: you can vote for the underlying bill and add $301 billion to the deficit over the next 5 years, or you can vote for this bill and provide middle-income tax relief and not add a dime to the deficit.

Here, in effect, is what your choice is. We stand at a crossroads today that CBO has depicted as follows on this particular chart. You can take this path here with $319 billion, or you can take this path here, and by 2015, we can be nearly out of deficit.

On the other hand, you can take the path that this bill would take, and you will be $640 billion in deficit in 10 years. The Democratic substitute is morally and fiscally far and away the better choice, particularly if you want to balance the budget and eradicate the deficit.

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

Mrs. BLACKBURN. Mr. Speaker, I rise to support the underlying bill and to oppose the substitute. And this is the reason why: my state, Tennessee, has seen more than $250 million in taxpayer savings a year from the sales tax deduction we passed in 2004.

The Tax Relief Extension Act that we are passing today will extend that. There is no excuse not to support this matter of tax fairness for States like mine. It is great for our economy; it is great for Tennessee's Main Streets. And those hundreds of millions of dollars are being pumped back into those local economies.

My State should not be penalized for choosing an alternative tax system. It is a better tax system. We want to keep it. I know many of my friends who are Blue Dogs supported the tax cut, and I hope that they are going to join us today and vote for the majority's bill. Tennesseeans are watching this vote.

Mr. Speaker, I do not know how many different ways we are going to have to talk about this economy and the fact that it is booming, jobs creation, home sales up, productivity soaring; but some never let facts get in the way of their political agenda.

If you read the New York Times, the Washington Post, or listen to many of my colleagues, you believe that our economy is dismal and we have not created a single solitary new job. One important thing the Federal Reserve noted: since we passed these tax relief measures in 2003, American households have increased their nest eggs, their retirement security, their savings by $10.5 trillion, $10.5 trillion net worth development by American households.

Finally, Mr. Speaker, this bill before us today, this bill has a provision that helps our Nation's songwriters. As chairman of the Congressional Songwriters Caucus, we worked to correct an inequity in the Tax Code that penalizes them when they sell their life's work. The bill solves that.

I thank my friend from Kentucky (Mr. LEWIS) and Chairman THOMAS for their work on this issue.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland (Mr. HOYER).

□ 1345

Mr. HOYER. Mr. Speaker, here we are just 2 weeks after House Republicans claimed that they were restoring fiscal discipline to the federal budget considering a tax bill that will make our deficits worse and drive our Nation even further into debt.

In 5 short years, the Republican party's failed economic policies have instigated $1.57 trillion in budget deficits and added $3 trillion to the national debt. By the way, during the last 4 years of the Clinton administration, we added not a nickel to the national debt and all 4 years we had a surplus.

Even Alan Greenspan, the chairman of the Federal Reserve, is sounding the alarm. He recently said, ''We should not be cutting taxes by borrowing.'' That is what we are doing. But with this bill Republicans are doing precisely that.

Now the Republican response will be as predictable as it is wrong. They will claim that tax cuts pay for themselves, but at long last can we dispense with this supply-side snake oil. Last month the incoming chairman of the Federal Reserve told the Senate, ''I think it's unusual for a tax cut to completely offset the revenue loss.''

That is President Bush's appointee to the Federal Reserve. And the Comptroller General of the United States, David Walker, recently stated, ''Anybody who says you're going to grow your way out of this problem, (deficits and debt) would probably not pass math.''

Even the President's Council of Economic Advisers admitted in 2003, ''Although the economy grows in response to tax reductions, it is unlikely to grow so much that lost tax revenue is completely recovered by the higher economic activity.''

That is why we have $1.75 trillion in additional deficits in 5 years and $3 trillion of additional debt.

So my Republican friends can stop pretending that the tax cuts in this bill will somehow magically pay for themselves. You are suggesting cuts twice as large as you were prepared to cut in spending. They will not.

Finally, let me say that this tax bill perfectly illustrates the Republican party's misguided priorities. Its centerpiece is the capital gains and dividend

cuts from 2008 to 2010. Who do you think benefits from that? Certainly not those making less than $50,000 a year. They will receive 3 percent of the capital gains tax cut. The fact is 80 percent of the capital gains tax cuts go to those with incomes more than $200,000; and more than 50 percent goes to those with incomes over $1 million.

Meanwhile, this majority has refused to address the alternative minimum tax within this bill, thereby exposing nearly one-third of taxpayers making between $75,000 and $100,000 to higher taxes next year.

I urge my colleagues: Vote for fairness.

Vote for fiscal sanity.

Vote for the Democratic alternative.

Mr. CAMP. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri (Mr. HULSHOF), a distinguished member of the Ways and Means Committee.

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

Mark Twain is probably the most famous constituent from my district and I think it was his quote that said, ''There are lies, there are damn lies, and there are statistics.''

I would say probably folks that are back in my district are home from school today because we had snow. Maybe people are taking a break from Christmas shopping and tuning into the debate, and I suspect folks are a little perplexed and a little confused. I do not know what the middle class is in Los Angeles or Cleveland or New York City or Baltimore or Seattle; but I think that at least in my congressional district, if a family is making about $50,000 a year, they probably think themselves to be middle class.

The Democratic substitute for that sector of folks making $50,000 or less, the Democratic substitute helps less than 200,000 taxpayers. Less than 200,000 taxpayers are helped by the Democratic substitute that are trying to sit around the kitchen table and pay their bills, wondering how they are going to pay for Christmas presents for their kids.

If we extend the capital gains and dividend tax rate, almost 8 million American taxpayers making $50,000 or less, the underlying bill, nearly 8 million taxpayers will be benefited, and I think the choice is clear.

Now, let me say to my friend, and he is my friend from Maryland, he talked about failed economic policies. Well, over the last 2 years, since capital gains and dividends reductions were put into law, we have averaged a 4 percent growth to our GDP. 4,400,000 jobs have been added to our economy. Homeownership is up at an all-time high. Government revenues have increased 10 percent a year since the reduction in the cost of capital.

The gentleman from Maryland talks about priorities. Earlier we heard from the chairman of the Democratic Congressional Campaign Committee, and in his usual acerbic way, brought up the specter of politics. The chairman of the DCCC talked about politics with his usual acerbic, and yet what I find interesting as we get close to the conclusion of this debate, there has been a very concerted effort by my friend from Maryland to reach out to the business community in an effort to make some political gains in the 2006 election.

After the CAFTA vote, when only 14 of our colleagues on the other side voted for increasing our opportunities for trade. There has been somewhat of a, reported at least, concerted effort to reach out to the business community.

This will be an interesting vote because we have with the Democratic substitute a tax increase of $40 billion on businesses. And the underlying bill which, in fact, continues to reduce the cost of capital, so are we going to deny enhanced expensing for farmers and manufacturers? Are we going to tell those laborers and manufacturing companies not to purchase, not to invest, not to expand their plants. That is the choice. And for those again that at least talk to the business community, I think the choice is clear. Reject the substitute and vote for the underlying bill.

Mr. RANGEL. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentlewoman from Texas (Ms. JACKSON-LEE).

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

Ms. JACKSON-LEE of Texas. Mr. Speaker, because the Republican tax bill raises the deficit $3 trillion and because of the valuable aspect of the substitute deductions for State and local retail taxes and other provisions for working Americans, I rise in support of the substitute and oppose the underlying bill.

Mr. Speaker, we have before us a very important piece of legislation, H.R. 4297, the Tax Reconciliation Act. It is very important to understand this piece of legislation within the big picture the republicans are painting here. Just last month, the Republicans passed a bill called ''The Deficit Reduction Act.'' This was a spending cut bill that slashed funding to many vital programs my constituents depend on, including to Medicaid, student loans, food stamps, and child support programs. The Republicans lectured us on the need to make sacrifices to control the national debt. By passing the spending cut bill, the Republicans actually asked the poor, the downtrodden, the disabled and the young to sacrifice on behalf of the rest of the country.

Now we are faced with the Tax Reconciliation Act, which will actually add $86 billion dollars to the deficit over the next 5 years. This proposed tax cut will not help the poor and middle class, either. An estimated 40 percent of the tax cuts will go to families with incomes of $1 million or more, and 84 percent of the major tax cuts in this bill will go to the richest 20 percent of families.

In fact, under this bill, over 17 million middle class Americans will face a tax increase next year from the Alternative Minimum Tax (the AMT)! An important aspect of this bill is the House's failure to adequately address the AMT. The Alternative Minimum Tax was enacted over 35 years ago enacted to ensure that the richest Americans would pay their fair share of income tax. Unfortunately, when the AMT was enacted, Congress neglected to index the tax rates to inflation. The AMT has now begun to add extra burden to middle class taxpayers at an alarming rate. The senate bill provides $30 billion for AMT relief to the middle class, while the House republican leadership could only find $2.8 billion for this cause.

Republicans couldn't find the money to adequately pay for AMT relief for the middle class. They can't find any money for tax relief for those affected by hurricane Katrina in the gulf coast. Last month, Republicans couldn't find the money to spare the elderly from Medicaid cuts, to spare the students from loan increases, or spare our children from child care cuts. They couldn't find the money because they are choosing to extend the dividend and capital gains tax cuts for the richest in our country. They also choose to pass the burden of paying for these tax cuts on to our children in the form of a huge deficit.

This is not how we take care of our own in Texas, and this is not how we do things in the United States. The Republicans are launching an unabashed attack on the American way by ignoring the neediest in our country to give tax cuts to the richest.

The Democrats have instead offered an amendment in the form of the substitute that is much more fiscally responsible and equitable. The Democratic Substitute extends for one year all temporary tax provisions that expire at the end of this year, similar to the majority's bill. The major difference, however is that the Democratic substitute addresses the problem of the AMT by eliminating all liabilities for middle class individuals. This will reduce the number of individuals that pay the AMT next year by 16 million people, to just over 3 million people. This provision would cost about $45 billion dollars, but would be fully offset by rolling back a portion of the tax cuts that would otherwise go to those with annual incomes of over $1 million for joint returns and $500,000 for other returns. The Democratic substitute, unlike the Republican option, is a fiscally responsible bill that goes to help those who really need it instead of the very rich.

Mr. Speaker, the decision to vote up or down on this legislation isn't a blurry line involving political ideology; it isn't a debate of Republican vs. Democratic philosophy. The priorities in the republican bill are misguided. Congress should not be providing additional tax breaks for the rich less than a month after huge spending cuts aimed at the most vulnerable. In the end, this tax bill will either exacerbate our already large Federal deficits, or will force even deeper cuts in critically important domestic programs. I am strongly opposed to this legislation, and I implore my colleagues on both sides of the aisle to vote against these unreasonable cuts and instead consider the revenue neutral Democratic alternative.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. FOSSELLA).

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

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman for yielding me time. I rise to support the underlying bill and to oppose the Democratic substitute.

The numbers three, four, and five come to mind. Three is basically a reflection of what our inflation rate is at; four for the percentage of which our economy is growing on an annual basis; and five for unemployment rate that exists in this country with historic lows.

One way we can ensure that that number five comes even lower and that number four goes even higher is to support the underlying legislation. Why? Because it is proven to work. When you reduce the taxes and the penalties on the accumulation of capital, what we see is an economy that grows. So whether you are a small business owner in Staten Island or a small business owner in San Francisco, you are able to put more people to work and we watch our economy grow and grow and grow.

My concern with the Democratic substitute is multi-fold. One is if you are sitting at home, for example, and you are waiting for your retirement, and in several years when your nest egg is about a half a million dollars, which is not that much money anymore for some folks I know living across the country, if the Democratic substitute prevails, you are looking at basically sending another check for $25,000 to the Federal Government. That is if you support the substitute.

In addition, if you happen to be receiving dividends, and I know many people across the country in so-called investor class receive dividends on a regular basis, if the Democratic substitute prevails, you will be paying upwards of 20 percent more in taxes to the Federal Government. Not to mention the fact that the AMT, which penalizes upwards of 80 percent of the people I know who filed in Staten Island and Brooklyn, are getting punished by the AMT, the Democratic substitute does not adequately address what the House passed yesterday.

In conclusion, if we are for a pro-growth economy, if we are for bringing the unemployment rate down even further, if we are watching for our economy to grow even greater, if we are basically placing our faith in the American people and the entrepreneurs and the small business owners across country, let us not punish them with higher capital gains rates and dividend rates.

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

Mr. CAMP. Mr. Speaker, I yield 4 minutes to the gentleman from Louisiana (Mr. MCCRERY), distinguished member of the Ways and Means Committee.

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

Mr. Speaker, it is a curious application of tax benefits that have been left out of the minority substitute. Let me just go over a few of those because I think you will agree with me that it is curious which ones are left out.

The savers credit for low income families. My friends on the other side of the aisle continually stand up for low income families and to their credit, why on earth would they leave out a strong incentive for low income families to save? They do. They leave out the savers credit. And that goes only to lower income families in this country. Generally, those on the other side of the aisle harp about the—I will not say evils, but the excess profits, some of the bad things that big business does in this country, and yet they leave out the tax benefit for small businesses in this country, something known as section 179, expensing to help small businesspeople cope with the costs of keeping their businesses up to date, modernizing their businesses so that they can compete, so they can compete in the market place, sometimes with those big bad businesses. They leave that out.

Tax benefits for cleaning up brownfield sites. Brownfield sites are dirty sites, polluted sites where business has gone away. There is pollution there. They are usually the champions of the environment, cleaning up the environment. But they leave out that tax benefit to encourage cleaning up these dirty polluted sites. Very curious.

Now, certainly there are a couple that they leave out that I can understand. They leave out an extension of the active finance section of subpart F. That is a lot of big words. What that means is this particular tax provisional allows companies in this country who conduct financial operations to compete on a level playing field with their competitors overseas. That is what this does that they leave out of their bill. It allows American companies to compete effectively with companies overseas. They leave that out. But then they, as I said, they do not particularly like big business.

The one that gave them the most glee, of course, by leaving it out was capital gains and dividends. You have heard all the rhetoric, and I am sure you are confused about who benefits from these. The Joint Tax Committee, the committee that is vested with crunching the numbers in this Congress, has produced these statistics: For the capital gains tax, one in five Americans who claims capital gains on his tax return has income below $50,000. Fifty-eight percent of those who claim capital gains on their tax return have incomes below $100,000. Somewhat different from the statistics you have heard from the other side.

Dividends are even better. One in four, 25 percent of Americans who have dividend income have incomes below $50,000; 59 percent have incomes below $100,000.

□ 1400

Nearly 60 percent of Americans who claim either capital gains or dividend income have incomes of $100,000 or less. That is basically middle class.

Another thing that the minority sometimes likes to do, I think, is tax. They like taxes, and they want to increase taxes; and when they can double tax, boy, that is a real joy. That is what dividends do. That income has already been taxed once at the corporate level. They want to tax it again at the individual level as high a rate as possible.

So those are the things they leave out of this bill, Mr. Speaker; and I hope we will reject the substitute.

Mr. CAMP. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. BRADY), a distinguished member of the Ways and Means Committee.

Mr. BRADY of Texas. Mr. Speaker, it is, I think, a terrible mistake to leave out tax relief for dividends. These are the usually small amounts of money that go to people, many seniors, who have invested in a company; and these are the dividends that help ease their retirement.

Back a few years ago, we saw a number of Wall Street companies go under, the Enrons, the WorldComs, all those dot-com technology companies. They had big stock prices. They had great pieces of paper saying they were wonderful companies, but the fact of the matter is they were built on thin air. What we did under this legislation is we said to the companies, prove that you have a solid profit-and-loss statement, you have real assets, show us the money; pay it out in dividends, we will lower the cost, lower the taxes on those dividends.

Since we created this tax legislation, now Fortune 500 companies, one out of four that did not provide dividends in the past, are now providing real money to real people who have invested in them. In other words, we have changed the culture from what is good this quarter and what is good for my stock price to what is the best long term, real growth, solid businesses in America. We have changed the culture of Wall Street because of this dividend tax relief.

It is very important we not go back to the bad old days of high stock prices but built on thin air. We need businesses that are in it for the long term, that pay cash to real people, that when my mom or your mom or some other senior invests they know they are going to get a chance for a solid dividend that they can actually keep because they invested. This dividend relief, Mr. Speaker, is vitally important.

I oppose the Democrat substitute. I support keeping in dividend relief, both for our seniors and our investors, and to keep Wall Street honest.

Mr. CAMP. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. SHAW), a distinguished member of the Ways and Means Committee, chairman of the Trade Subcommittee.

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

Very briefly, since the tax rate on capital gains and dividends was reduced in May of 2003, the economy has grown at an average rate of 4.1 percent; 4.4 million new jobs have been created;

government tax receipts have increased 10 percent annually.

Now we are coming to a situation in 2008 where the capital gains rate is going to go up to 20 percent; dividends go back to ordinary income.

What effect is this going to have on the economy to all of the sudden have that increase that we are looking at? The question has been, and I think it has been raised, as to what is the hurry, why do it. We want them to be able to have a tax rate that people can count on, one that people can look into the future as far as they could. I would like to extend it even further than that, but under reconciliation we are limited to the budget window.

I think this is a good bill. I ask all the Members to reject the substitute and support the base bill.

Mr. RANGEL. Mr. Speaker, it is my distinct honor to yield the remaining time to the gentlewoman from California (Ms. PELOSI) to close on our side, who represents the minority at this historic time.

Ms. PELOSI. Mr. Speaker, I thank the distinguished gentleman from New York, our ranking member on the Ways and Means Committee, for yielding me the time. I thank you and our colleagues on the committee on the Democratic side for the excellent work you did in putting forth the Democratic alternative today. You have made an excellent case for your substitute and indictment against what the Republicans are doing.

Let us talk about what is happening here today. A few weeks ago, right before Thanksgiving, there was a bill on the floor which was the Republican budget bill. So bad was this bill in terms of it not representing the values of our country that the religious community gathered in the rotunda of the Capitol of the United States, and they prayed that this Congress would make the right decisions and reject the Republican budget proposal.

They asked some questions about why we would be giving tax cuts to the wealthiest people in our country while taking food out of the mouths of America's children. They said they were going to draw a moral line in the sand because a budget should be a statement of our national values, and what we care about in our country should be reflected in that budget.

Today, we are talking about a tax bill which is hand-in-glove part of the reconciliation that the Republicans are putting forth. So embarrassed were they by their own budget and so embarrassed were they by this tax bill that they had to have 3 weeks come between the two of them so that the American people would separate the cause and effect of what they were doing with their budget bill that was poor in its values, poor in its priorities and increasing our deficit because of this tax bill today.

Yesterday, they engaged in another sham, which was to pretend that they were giving alternative minimum tax relief for middle-class families in America. If they cared about middle-class families in America, they would have put that in this bill today which has the full protection as it goes over to the Senate. They know that that bill they passed yesterday has no weight in the Senate. It does not have the protection of the parliamentary process on the Senate side, and the same applies to what they did to try to give the illusion that they were helping our men and women in combat so that they would qualify for the low-income tax credit. If they cared about them, they would have them in the bill today.

This budget, as I said, should be a statement of our national values; and while we talk about that, let us talk about what those values are.

America has always cherished the value of opportunity, and one place where that is possible for more Americans is in the issue of education. Taking these two bills together, we are giving tax cuts to the wealthiest people in America while we are putting a burden on our young people by saying that they will pay $5,800 more in their student loans so that we can give tax cuts to people making over $1 million a year. That is not a statement of our national values. That takes from our children their opportunity when we should be expanding it.

Fairness. Fairness has always been a cherished American value. Fairness. We see that during the last 5 years, these 5 years of the Bush administration, 7 million more people in our country go to sleep hungry, without adequate food, because they cannot afford to buy food. Seven million more people, an increase of 12 percent, and what does this combination of reconciliation in order to give tax cuts to people making over $1 million a year, that cuts food stamps and takes many tens of thousand of children off the school lunch program do? As the religious community said, how can we as a country give tax cuts to the wealthiest and take food out of the mouths of our children? That is not about fairness. Fairness is an American value.

Community. America has always been about community. Alexis de Tocqueville said it about the origins of our country, and community means safe neighborhoods, the safety of our people, homeland security and the rest. We are not putting adequate resources to COPS on the Beat or anything else in order for us to give these tax cuts at the high end. That is not about community. That is totally unfair, and it is diminishing opportunity.

Let us take the value of responsibility, personal responsibility, fiscal responsibility, which should be the order of the day in this conversation here. The combination of their tax bill and their budget bill in reconciliation, which I do not blame them for separating by 3 weeks because it is a total embarrassment with that, they are increasing the deficit. They are increasing the deficit by $20 billion in order to give tax cuts to the wealthiest Americans. They are putting the burden of debt on America's children, individual debt with their student loans and fiscal debt in terms of our national debt and what our kids will be burdened with.

It is just totally irresponsible and at the same time increases the deficit. Democrats support pay-as-you-go. No deficit spending. If something is important to you, figure out how to pay for it, but do not make my children and grandchildren have to pay for it or anybody's children and grandchildren have to pay for it.

Every opportunity I get I want to sing the praises of the Clinton administration. Coming out of that administration we were on a trajectory of 5.6 trillion with a TR, dollars in surplus. In the years of the Bush administration, that has been almost fully reversed, over $4 trillion in deficit, a swing of around $10 trillion, an incredible burden on the future, a tax on our children's future.

And this is the party of fiscal responsibility? Republicans have completely abdicated that. The Democrats are the party of fiscal responsibility. We showed we can do it then. We can do it again. We should not today be catering to this appetite for deficits that the Republicans cannot seem to get over. It is just absolutely immoral, immoral for us to heap those deficits on our children.

I want to commend my colleagues on the Democratic side for what they have done and put into their proposal. The House Democrats are committed to an America that works for everyone, not just the privileged few.

Our Democratic substitute reflects the values of community by shielding the middle-class Americans from the alternative minimum tax in a bill that really counts, not in some suspension of yesterday that has no weight in the conference with the Senate; and it provides tax relief, the Democratic alternative does, for our soldiers in combat in the bill. That really matters as well.

The Democratic substitute demonstrates fairness by not adding to the deficit; and it creates opportunities, spurring economic growth, generating jobs and supporting our small businesses.

Our Democratic members on the committee have eloquently made an indictment against this budget which is immoral because of the $70 billion in tax cuts, mostly for America's wealthiest. The Republican budget decimates the very initiatives that middle-class Americans rely upon to get ahead. The poor suffer, the rich benefit, the middle class is paying the bill.

The number of people without health insurance has increased 4 years in a row. People are hungry, a 12 percent increase. The number of people who do not have health insurance has grown. They are cutting $45 billion in Medicaid, a health insurance program that is mostly for America's poor children, many of them Katrina survivors.

Alexis de Tocqueville talked about community in America. He wrote back to the French: ''America is great because America is good. If America ever ceases to be good,'' he concluded, ''America will cease to be great.''

This is a moment that no one in this body wants to hasten. We all want America to be great and America to be good. Together, we can do better by returning to our fundamental values to maintain America's goodness by rejecting this immoral tax bill.

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

Actually, in a few minutes we will have a vote on two tax bills, and we have heard a lot of debate this afternoon about the two approaches the bill takes, and I certainly appreciate my friends on the other side for recognizing the need for tax relief.

□ 1415

In fact, in many important ways these bills are very similar. Twenty-two provisions in our underlying bill were taken by my friends on the other side and put into their bill. I guess imitation is the sincerest form of flattery.

For example, the income tax deduction for State and local taxes; the research and development tax credit, so important to our high-tech and manufacturing sectors of our economy; the above-the-line deduction for higher education expenses; and the bonds for school modernization equipment and teacher training; as well as the enhanced charitable deduction for computer donations to schools. These are provisions that we have that are the same.

What the Democrat substitute does not include is the extension of a saver's credit for low-income families; the expensing for small businesses so small entrepreneurs can grow their companies, buy the equipment, increase their businesses and hire more people; cleaning up brownfields sites so we can continue economic development in so many small towns and communities in our Nation; as well as helping our domestic manufacturers finance those large equipment sales overseas so we can export more.

Also capital gains and dividends. We have heard a great deal about that this afternoon. That tax provision, that benefit, has helped 24 million American families in this country. Twenty-five percent of those families have incomes under $50,000 a year. Are those the rich we hear talked about so much on the other side? Fifty-seven percent, almost 60 percent of the families have incomes under $100,000 a year. Are those the very rich our friends on the other side are so worried about us assisting?

What is irresponsible is the part of the Democrat substitute which raises taxes. Forty billion dollars in tax increases. And 80 percent of those taxes, that tax burden, would fall on small entrepreneurial businesses. I urge a vote against the substitute and in favor of the underlying bill.

Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. THOMAS), the distinguished chairman of the Ways and Means Committee.

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

Mr. THOMAS. Mr. Speaker, actually, I do not need 12 minutes, I only need 10 seconds. This bill is a——

Mr. RANGEL. Parliamentary inquiry.

The SPEAKER pro tempore (Mr. BASS). Does the gentleman from California yield for a parliamentary inquiry?

Mr. THOMAS. No.

Mr. RANGEL. Does the gentleman from California? A parliamentary inquiry is no longer the Speaker's responsibility?

Mr. THOMAS. Mr. Speaker, who has the time?

The SPEAKER pro tempore. The gentleman from California is recognized.

Mr. RANGEL. Well, I just wanted to know how many closing speakers they had.

The SPEAKER pro tempore. The gentleman from California has the time.

Mr. THOMAS. Mr. Speaker, it is obvious the gentleman from New York wants to make sure you do not hear this.

As I said, you do not need 12 minutes to say this: If you vote ''yes'' for the Democrat substitute, you are increasing taxes over 5 years by $40 billion.

That is the single largest tax increase since they were in the majority in 1993.

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

The SPEAKER pro tempore. Pursuant to House Resolution 588, the previous question is ordered on the bill, as amended, and on the amendment by the gentleman from New York (Mr. RANGEL).

The question is on the amendment offered by the gentleman from New York (Mr. RANGEL).

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

Mr. RANGEL. Mr. Speaker, 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 192, nays 239, not voting 2, as follows:

[Roll No. 619]

YEAS—192

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
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
Cramer
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)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Matsui
McCarthy
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)
Nadler
Napolitano
Neal (MA)
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
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
Velázquez
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Wilson (NM)
Woolsey
Wu
Wynn

NAYS—239

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Barrow
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)
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Costello
Crenshaw
Cubin
Culberson
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
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
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)
Kanjorski
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
Kuhl (NY)
LaHood
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
Matheson
McCaul (TX)
McCollum (MN)

McCotter	Platts	Shuster
McCrery	Poe	Simmons
McHenry	Pombo	Simpson
McHugh	Porter	Smith (NJ)
McKeon	Price (GA)	Smith (TX)
McMorris	Pryce (OH)	Sodrel
Mica	Putnam	Souder
Miller (FL)	Radanovich	Stearns
Miller (MI)	Ramstad	Sullivan
Miller, Gary	Regula	Sweeney
Moran (KS)	Rehberg	Tancredo
Murphy	Reichert	Taylor (NC)
Murtha	Renzi	Terry
Musgrave	Reynolds	Thomas
Myrick	Rogers (AL)	Thornberry
Neugebauer	Rogers (KY)	Tiahrt
Ney	Rogers (MI)	Tiberi
Northup	Rohrabacher	Turner
Norwood	Ros-Lehtinen	Upton
Nunes	Royce	Visclosky
Nussle	Ryan (WI)	Walden (OR)
Oberstar	Ryun (KS)	Walsh
Osborne	Sabo	Wamp
Otter	Saxton	Weldon (FL)
Oxley	Schmidt	Weldon (PA)
Paul	Schwarz (MI)	Weller
Pearce	Sensenbrenner	Westmoreland
Pence	Sessions	Whitfield
Peterson (MN)	Shadegg	Wicker
Peterson (PA)	Shaw	Wilson (SC)
Petri	Shays	Wolf
Pickering	Sherwood	Young (AK)
Pitts	Shimkus	Young (FL)

NOT VOTING—2

Brown-Waite, Ginny	Hastings (WA)

□ 1442

Messrs. SAXTON, SOUDER, MURPHY, RYUN of Kansas, GILLMOR, OBERSTAR, VISCLOSKY and Mrs. NORTHUP changed their vote from ''yea'' to ''nay.''

Messrs. OLVER, JEFFERSON, HOLDEN, and RAHALL changed their vote from ''nay'' to ''yea.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BASS). 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. RANGEL

Mr. RANGEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill in its present form?

Mr. RANGEL. I am, Mr. Speaker.

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

The Clerk read as follows:

Mr. Rangel moves to recommit the bill H.R. 4297 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendments:

Strike section 203 (relating to capital gains and dividends rates) and redesignate succeeding sections accordingly, and strike the item in the table of contents relating to section 203 and redesignate the items relating to succeeding sections accordingly.

Insert after section 117 the following new section (and amend the table of contents accordingly):

SEC. 118. TEMPORARY RELIEF FROM THE ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Section 55 (relating to alternative minimum tax imposed) is amended by adding at the end the following new subsection:

''(f) EXEMPTION FOR INDIVIDUALS FOR TAXABLE YEARS BEGINNING IN 2006.—For any taxable year beginning in 2006, in the case of an individual—

''(1) IN GENERAL.—The tentative minimum tax of the taxpayer shall be zero if the adjusted gross income of the taxpayer (as determined for purposes of the regular tax) is equal to or less than the threshold amount.

''(2) PHASEIN OF LIABILITY ABOVE EXEMPTION LEVEL.—In the case of a taxpayer whose adjusted gross income exceeds the threshold amount but does not exceed $112,500 ($225,000 in the case of a joint return), the tax imposed by subsection (a) shall be the amount which bears the same ratio to such tax (determined without regard to this subsection) as—

''(A) the excess of—

''(i) the adjusted gross income of the taxpayer (as determined for purposes of the regular tax), over

''(ii) the threshold amount, bears to

''(B) $12,500 ($25,000 in the case of a joint return).

''(3) THRESHOLD AMOUNT.—For purposes of this paragraph, the term 'threshold amount' means $100,000 ($200,000 in the case of a joint return).

''(4) ESTATES AND TRUSTS.—This subsection shall not apply to any estate or trust.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2005.

Mr. RANGEL (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 New York?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. RANGEL) is recognized for 5 minutes and a Member in opposition to the motion to recommit will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York.

Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from Massachusetts (Mr. NEAL).

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

Mr. NEAL of Massachusetts. Mr. Speaker, I want to thank the gentleman from New York (Mr. RANGEL) for offering this motion to recommit today.

The Rangel motion to recommit is about two things: truth in budgeting and truth in borrowing.

□ 1445

In almost 14 years now on the Ways and Means Committee, we have spoken of addressing the alternative minimum tax issue. There has been a lot of talk and not a lot of action. And you are going to hear in a couple of seconds, well, yesterday, we took up the Alternative Minimum Tax. What we did yesterday was a procedural maneuver that allowed everybody to cover themselves, but will have very little reality as it addresses alternative minimum tax.

The gentleman from New York's motion to recommit goes right to the heart of the matter. You can, in a few minutes, cast a vote on really doing something about alternative minimum tax.

Now, the next thing we are going to hear today is this: The Democrats were in charge for 40 years and did not address the alternative minimum tax issue. In 1994, a couple of 100,000 people paid alternative minimum tax in America. On January 1, that number kicks up, next year, to 19 million people who will begin to pay alternative minimum tax. Mr. RANGEL's proposal addresses this issue, and we pay for it, as I indicated at the outset of my remarks, honestly. The dividends and capital gains proposal does not even expire until the year 2008. And yet, we are doing that instead of doing alternative minimum tax.

Now, this Congress had time, in the last 5 years, to repeal a series of taxes on the American people, all, by the way, for upper income groups. We certainly had plenty of time to repeal the estate tax. We had time to address dividends and capital gains. But we did not have time to address alternative minimum tax other than with Band-Aid approaches. Today, you have a chance to do something. Mr. RANGEL's proposal lacks complexity. You can, in the next couple of minutes, choose between fixing AMT or extending dividends and capital gains cuts for the wealthiest among us. And by the way, when we hear the other side say that these cuts to middle income people for dividends and capital gains, the dividend proposal that they have ought to be understood in this light. More than 50 percent, I believe, 53 or 54 percent of their dividend proposal, goes to people who made more than $1 million last year. Alternative minimum tax is a middle class issue across this country and we can do something about it.

Embrace Mr. RANGEL's proposal. Give him a positive vote on AMT. But most importantly, give those 19.3 million Americans next year some much needed relief in alternative minimum tax.

Mr. RANGEL. Well, Mr. Speaker, you can take away our right to go to conference, our right to amend bills, but one thing you cannot take away is our right to vote. We have a game called 3 Card Molly in New York. You never know which one is under the shell. So they have an opportunity to say that they want to help the wealthiest Americans, but they like to give a whole lot of talk to those people who, through no fault of their own, except the ineptness and the inability of the Republicans to correct it, they got caught in the alternative minimum tax. Now, they will scream out that they took care of it on the suspension bill. Well, you do not have to be a parliamentarian to know when you send something to that other side and put it on the suspension calendar, you had better send a prayer over with it because any one guy can stand up and say I object.

But when you cover it because you believe in it and put it in the reconciliation bill, it means that is what you really want to do. At the end of the

day, when we vote, all we are saying is, we ask the conferees, whenever they might meet, that they are instructed by this House to take care of those who really deserve the tax privilege the most. Take care of those who were not really thrown into this thing because of increased income, but were thrown into the alternative minimum tax that was not supposed to capture them, but they got there because of inflation.

In 3 Card Molly, you do not know what is going to happen. But we will know at the end of this vote something that John Lewis knows that they said in the civil rights movement, and that is, which side are you on? What a great opportunity. Take away everything you want. Take away our votes, our opportunity to express ourselves, give us rules that you like to give us. But, on this vote, at the end of the day, people might ask how did you treat the alternative minimum tax? Some people might say, well, it did come up in the House. It was not important enough to put in the reconciliation bill and it was not important enough to allow a lot of debate. We put it on the suspension calendar because it was not paid for and we did not think it would be controversial. And so, with all of the debate, what is going to happen when you get back home is did you protect those that were most vulnerable. Forget about the poor. Forget about the rich that you are giving the incentives to. Just ask, on this one thing, no matter what happens in conference, where was the alternative minimum tax protected? It is protected in our motion to recommit.

Mr. THOMAS. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore (Mr. BASS). The gentleman is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, I do not need to mention yesterday or the 414 who voted to fix this problem. I would tell my friend from New York that you only need 60 votes outside of a reconciliation to pass this. But I do want to mention 1985. The Tax Reform Act of 1985, under their watch, said this: ''Other regular tax itemized deductions such as those for State and local taxes paid and for certain investment expenses, are not allowed for minimum tax purposes.'' I assume they did that knowingly. They were the ones who did it.

In 1993, they passed the largest tax increase on the American people and had a chance to adjust it again then. I will say that we have made progress today. This is an appropriate motion to recommit. It does not kill the bill. The gentleman from Massachusetts said this is about upper income groups. In fact, there was an editorial recently that said it is between the rich and the very rich. But I do want to mark the landmark comment of the gentleman from Massachusetts who said this was about middle income people. And on page 2 of the motion to recommit, ''For purposes of this paragraph, the term 'threshold amount' means $100,000 and $200,000 in the case of a joint return.'' So $200,000 is now middle income. I believe that is correct. They are the ones who have always said those are the very rich. Now, the other thing you need to understand, it is this business of how many people are going to fall under the alternative minimum tax. Do you know why?

The reason, in 1994 that there were so few people who fell under the alternative minimum tax is because the regular tax was so high. What has happened in 2001, 2002, 2003 and 2004 we have driven down the rates. And because we have lower taxes, there are more people who fall under the alternative minimum tax. Do we need to address it? Of course. But the vote today is far more fundamental than that. This vote, if you vote yes, gives money to rich people to spend on consumption. Surely, you know that pure consumption does not move the economy very much. What they want to do is deny people the opportunity to invest and to save to supply fuel to the engine of the economy so we can continue with the lowest unemployment rate and the highest productivity rate than we have seen in years. This vote is very simple. A yes vote, consumption, not much bang for the buck. A no vote, investment and savings and a lot of bang for the buck. Vote no on reconciliation, yes on the bill. If we have limited dollars to spend, spend them for the highest and best purpose.

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. RANGEL. 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, if ordered, on passage of the bill and on suspending the rules and passing H.R. 1400 debated yesterday.

The vote was taken by electronic device, and there were—yeas 193, nays 235, not voting 5, as follows:

[Roll No. 620]

YEAS—193

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)
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
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)
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
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
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NAYS—235

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
Boren
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cramer
Crenshaw
Cubin
Culberson
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
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
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)
Kanjorski
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
Matheson
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McIntyre
McKeon
McMorris
Mica
Miller (FL)

Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Murtha
Musgrave
Myrick
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Otter
Oxley
Paul
Pearce
Pence
Peterson (MN)
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
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (TX)
Sodrel
Souder
Stearns
Sullivan
Sweeney
Tancredo
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—5

Boozman
Brown-Waite, Ginny
Hastings (WA)
Markey
Smith (NJ)

□ 1513

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. BASS). 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. STARK. 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 234, nays 197, not voting 3, as follows:

[Roll No. 621]

YEAS—234

Aderholt
Akin
Alexander
Bachus
Baker
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bass
Bean
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonilla
Bonner
Bono
Boozman
Boren
Boustany
Bradley (NH)
Brady (TX)
Brown (SC)
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole (OK)
Conaway
Cramer
Crenshaw
Cubin
Cuellar
Culberson
Davis (KY)
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Gordon
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
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
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
Marshall
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
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
Schmidt
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
Walden (OR)
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NAYS—197

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boehlert
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
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
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)
Leach
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
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
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)
Upton
Van Hollen
Velázquez
Visclosky
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—3

Brown-Waite, Ginny
Franks (AZ)
Hastings (WA)

□ 1523

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. FRANKS of Arizona. Mr. Speaker, on rollcall No. 621 (final passage H.R. 4297), had I been present, I would have voted "aye".

VACATING ORDERING OF YEAS AND NAYS ON H.R. 1400, SECURING AIRCRAFT COCKPITS AGAINST LASERS ACT OF 2005

Mr. PUTNAM. Mr. Speaker, I ask unanimous consent that the House vacate the ordering of the yeas and nays on the motion to suspend the rules and pass H.R. 1400 to the end that the Chair may put the question on the motion de novo.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 1400, as amended.

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

A motion to reconsider was laid on the table.

PRIVILEGES OF THE HOUSE

Ms. PELOSI. Mr. Speaker, pursuant to rule IX, I rise in regard to a question of the privileges of the House, and I offer a privileged resolution.

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

The Clerk read the resolution, as follows:

H. RES. 591

Whereas the recurring practice of improperly holding votes open for the sole purpose of overturning the will of the majority, including bullying and threatening Members to vote against their conscience, has occurred eight times since 2003, and three times in the 109th Congress alone;

Whereas on November 22,2003, the Republican Leadership held open the vote on H.R. 1, the Prescription Drug Conference Report, for nearly three hours, the longest period of time in the history of electronic voting in the U.S. House of Representatives;

Whereas the normal period of time for a recorded vote is 15 minutes, and the Speaker of the House has reiterated that policy on Opening Day of each Congress by saying, ''The Chair announced, and then strictly enforced, a policy of closing electronic votes as soon as possible after the guaranteed period of 15 minutes'';

Whereas the sole purpose of holding the Prescription Drug vote open was to undermine the will of the House, and reverse the position that a majority of the House of Representatives had taken during the entire vote;

Whereas it was widely reported in the press that former Representative Nick Smith (R–MI) was bribed on the House floor, and the incident was described in Robert Novak's column in the Chicago Sun-Times, November 27, 2003: ''Nick Smith was told business interests would give his son $100,000 in return for his father's vote. When he still declined, fellow Republican House members told him they would make sure Brad Smith never came to Congress. After (Rep.) Nick Smith voted no and the bill passed, (Rep.) Duke Cunningham of California and other Republicans taunted him that his son was dead meat'';

Whereas the cost of the Prescription Drug bill was a critical factor in determining the votes of many Members of Congress and Richard S. Foster, the chief actuary for the Centers of Medicare and Medicaid Services, conducted numerous estimates indicating the cost to be much higher, including a June 11, 2003 analysis of a similar plan in the Senate which would have cost $551 billion over ten years and Members were not made aware of this;

Whereas the Congressional Budget Office (CBO) estimated the cost of the Republican Prescription Drug bill to be $395 billion over ten years and, yet just two months after the vote in Congress, Joshua Bolten, Director of the Office of Management and Budget, disclosed that the Administration's estimate of the cost was actually $534 billion;

Whereas Representative Bill Thomas, the Chairman of the Ways and Means Committee and a key negotiator on the bill, told HHS Secretary Thompson on February 10, 2004 in a hearing before the Ways and Means Committee, ''I know some people were surprised that your (HHS) number was higher. I personally was not . . .'' (Hearing Transcript, February 10, 2004);

Whereas, Representative Nancy Johnson, the Chairman of the Ways and Means Health Subcommittee and a key negotiator on the bill, said she knew of the higher estimates and stated, ''Absolutely, we knew about these numbers.'' (The New York Times, March 18, 2004);

Whereas the Republican Leadership and the Committees of jurisdiction chose to ignore the warnings of higher cost estimates and intentionally misled Members of the House for the sole purpose of winning passage of an extremely controversial bill;

Whereas in a clear conflict of interest the Chairman of the Energy and Commerce Committee, former Representative Billy Tauzin (R–LA), was actively engaged in a job search with the pharmaceutical industry at the same time that he was a key negotiator on major provisions in the bill, and after its passage, he subsequently left Congress to take a highly paid executive position with the head of the pharmaceutical lobby, and is reportedly making many times his congressional salary;

Whereas the Republican Leadership's submissiveness to the influence of corporate interests, and their illegitimate efforts to overturn the will of the House to pass flawed legislation like the Prescription Drug bill, which was written to meet the needs of drug companies, call into question the legitimacy of the laws they enact and the agenda they pursue;

Whereas the culture of corruption has so permeated the Republican Leadership that they will violate their own rules and the customs and decorum of the House to win votes on the floor of the House of Representatives; therefore, be it

Resolved, That the House denounces the culture of corruption exhibited by the Republican Leadership, denounces the ongoing resort to illegitimate actions taken to pass legislation like the Prescription Drug bill under false pretenses, rejects the practice of improperly holding votes open beyond a reasonable period of time for the sole purpose of circumventing the will of the House, and directs the Speaker to take such steps as necessary to prevent any further abuse.

PARLIAMENTARY INQUIRY

Mr. BURTON of Indiana (during the reading). Mr. Speaker, I would like to raise a point of order. I know that we are talking about a previous Member, but is it in order for them to impugn the integrity of the House or of a previous Member by making statements like that in a resolution of this type?

The SPEAKER pro tempore. It is in order first for the Clerk to read the resolution.

The Clerk will proceed.

The Clerk continued to read the resolution.

□ 1530

The SPEAKER pro tempore (Mr. BASS). The resolution presents a question of the privileges of the House.

MOTION TO TABLE OFFERED BY MR. PUTNAM

Mr. PUTNAM. Mr. Speaker, I move to table the resolution.

The SPEAKER pro tempore. The question is on the motion that the resolution be laid on the table.

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

RECORDED VOTE

Ms. PELOSI. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 219, noes 188, not voting 27, as follows:

[Roll No. 622]

AYES—219

Abercrombie
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)
Burgess
Burton (IN)
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Cole (OK)
Conaway
Crenshaw
Cubin
Culberson
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)
Feeney
Ferguson
Fitzpatrick (PA)
Flake
Foley
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Green (WI)
Gutknecht
Hall
Harris
Hart
Hastert
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Inglis (SC)
Issa
Istook
Jenkins
Jindal
Johnson (CT)
Johnson (IL)
Johnson, Sam
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
Oxley
Pearce
Pence
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
Schmidt
Schwarz (MI)
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Sodrel
Souder
Stearns
Sweeney
Tancredo
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—188

Ackerman
Allen
Andrews
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Boren
Boswell
Boucher
Brady (PA)
Brown (OH)
Brown, Corrine
Butterfield
Capps
Capuano
Cardin
Cardoza
Carnahan
Carson
Case
Chandler
Clay
Cleaver
Clyburn
Conyers
Cooper
Costa
Costello
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Edwards
Emanuel
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Grijalva
Gutierrez
Harman
Hastings (FL)
Herseth
Higgins
Hinchey
Hinojosa
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
Kucinich
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren, Zoe
Lowey
Lynch
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy
McCollum (MN)
McGovern
McIntyre
McKinney
Meehan
Meek (FL)
Meeks (NY)
Melancon
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
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
Velázquez
Visclosky
Wasserman Schultz
Watson
Watt
Waxman
Weiner
Wexler
Wu
Wynn

NOT VOTING—27

Blumenauer
Boyd
Brown-Waite, Ginny
Buyer
Chocola
Coble
DeFazio
Doyle
Etheridge
Everett
Green, Gene
Hastings (WA)
Hayes
Holden
Hyde
Jones (NC)
Kind
McDermott
McNulty
Menendez
Pascrell
Paul
Peterson (PA)
Sullivan
Walden (OR)
Waters
Woolsey

□ 1548

Ms. CORRINE BROWN of Florida changed her vote from ''aye'' to ''no.''

Mr. SOUDER changed his vote from ''no'' to ''aye.''

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PUTNAM. 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. 4297.

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

There was no objection.

AMENDMENT PROCESS FOR CONSIDERATION OF H.R. 4437, BORDER PROTECTION, ANTITERRORISM, AND ILLEGAL IMMIGRATION CONTROL ACT OF 2005

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

Mr. PUTNAM. Mr. Speaker, the Rules Committee may meet next week to grant a rule which could limit the amendment process for floor consideration of H.R. 4437, the Border Protection, Antiterrorism, and Illegal Immigration Control Act of 2005.

Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Rules Committee in room H–312 of the Capitol by 7 p.m. on Tuesday, December 13, 2005. Members should draft their amendments to the bill as reported by the Judiciary Committee on December 8, 2005, which is expected to be filed with the House next week. Members are also advised that the text should be available for their review on the Web sites of the Judiciary and Rules Committees by Friday, December 9.

Members should use the Office of Legislative Counsel to ensure that their amendments are drafted in the most appropriate format and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4099

Mr. BISHOP of Georgia. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 4099.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3875

Mr. WEXLER. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 3875.

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

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. HOYER. Mr. Speaker, I yield to the gentleman from Missouri (Mr. BLUNT), the acting majority leader, for the purpose of inquiring about the schedule for the week to come.

Mr. BLUNT. I thank the gentleman for yielding.

Mr. Speaker, the House will convene on Tuesday at 12:30 p.m. for morning hour and 2 p.m. for legislative business. We will consider several measures under suspension of the rules. A final list of those bills will be sent to Members' offices by the end of the week. Any votes called on these measures will be rolled until 6:30 p.m.

For Wednesday and the balance of the week, the House will consider additional legislation under suspension of the rules, as well as H.R. 4437, the Border Protection, Antiterrorism, and Illegal Immigration Control Act of 2005, under a rule. We also anticipate the House will consider additional conference reports, including the USA PATRIOT Act; the Labor, Health and Human Services and Department of Defense appropriations bills; and possibly the deficit reduction and tax relief packages.

Mr. HOYER. I thank the gentleman for that information.

As you know, a lot of work remains to be done which is supposed to be, as I understand it, may be, I suppose, our last week. Many hope it will be our last week, at least for the month, including the completion of the conference report, as you have said, on Labor-Health and DOD appropriation, the DOD authorization, TRIA, PATRIOT Act.

So for Members' planning purposes, can you tell me when you expect to finish work for the year?

Mr. BLUNT. Once we return on Tuesday, the Members should expect the House to be in session and voting every day until we adjourn. That could happen as early as next Thursday, but certainly by next Saturday or possibly Sunday, and we would not anticipate returning until we return after the first of the year.

Mr. HOYER. I thank the gentleman for that information.

If we do not pass, for whatever reasons, the DOD appropriation bill and the Labor-Health appropriation bill, presumably we will need a CR. Could the leader tell me how long you would anticipate that CR being?

Mr. BLUNT. We have not contemplated that because we do expect to pass both of those bills next week before we leave. I think we are absolutely committed to do that and expect to see both of those on the floor individually, and we will then have brought all of our appropriations work to the floor individually, though certainly one of those bills, probably the Department of Defense bill, will include whatever additional appropriations have to be handled before we leave this year. But we would expect to handle those under regular order and would only contemplate a CR if that became the absolute only resort left to us. I would not anticipate that.

Mr. HOYER. I thank the gentleman for that information.

Focusing on the DOD bills, the authorization and the appropriation bill, technically, as I understand it, we have not gone to conference on either one of those at this point in time. One of the reasons is, I presume, that there will be a motion to instruct on the McCain amendment on one of those bills. Can the gentleman tell me when we might have a motion to go to conference? I know you have talked about them coming on the floor as conference reports, but in light of the fact we have not gone to conference yet, could the gentleman inform me as to when we might have a motion to go to conference?

I yield to my friend.

Mr. BLUNT. I thank my friend for yielding and would say that we expect those motions early in the week. I thought even today we might get one of those motions today as the work is done to try to work through some of the things that appear to be problems in the conference that need to be worked out, and I would expect to see that happen early in the week in both instances.

Mr. HOYER. Reclaiming my time, this is not a question, but let me tell you the difficult position this puts us in, which I hope we ought to really preclude in the future in fairness.

The purpose of a motion to instruct conferees is obviously to convey to them the opinion of the House as it relates to the product of the conference. Clearly, if that motion is not made until essentially after the conference work is done, the motion essentially is of little, if any, value. I understand the

problem that the majority has been dealing with and the differences between the administration and at least the Senate. But it does place us in a position where essentially whatever the House might want to do on a motion to instruct would be essentially a meaningless act.

That is certainly not, I think, the intent of the rule for a motion to instruct, nor is it the spirit, I think, of the rule. The gentleman does not have to comment on it. If he wanted to make a comment on it, I would be glad to hear it; but I think you understand our consternation for those of us who particularly feel very strongly on the importance and the appropriateness of the McCain amendment as passed by the Senate being in the final bill. Again, the gentleman does not have to comment on that. If he would like to, I will certainly yield.

Mr. BLUNT. I would only say that I understand the point. I also understand, as the gentleman does, in this particular case, the White House was highly involved in the discussion in the Senate; and it does seem to me that this is an issue of unusual sensitivity and important to try to work through as much as we could before we put our conferees in place, but I clearly understand the position that the whip has on that and appreciate it.

Mr. HOYER. I thank the gentleman.

On the budget reconciliation conference, when do you expect that to hit the floor?

Mr. BLUNT. We are hopeful that both of these reconciliation conferences can proceed. Both the tax conference and the deficit reduction conference are very complicated. It is our hope we can work through these, get these in place and work through them next week; but there is a tremendous amount of work that needs to be done because of the differences in the bills. We are hopeful that we go to conference next week on one or both of those issues, and then could even get one or both of them back to the floor to vote on the conference product next week, if that is at all possible.

Mr. HOYER. I understand that knowing a specific day on which that could be done would be practically impossible. I appreciate the gentleman's observation.

On the border security and immigration bill, which you note will be on the calendar next week, can you tell us whether or not we can anticipate that being on, presumably, either Wednesday or Thursday? We are coming back Tuesday night. You indicated it is possible we could get out Thursday. So I presume that bill, which is ready for the floor, will be on either Wednesday or Thursday. Can you tell us specifically when you might anticipate that bill being on the floor?

Mr. BLUNT. As I said, we intend to have that bill on the floor next week. I think it is probably more likely to be on Thursday, but that decision will be a lot easier to make once we get a greater sense of how all of the work next week will present itself. Certainly we hope to have these two appropriations measures on the floor; and as we have discussed before in the last few minutes, the importance of getting them done next week. The PATRIOT Act also will be on the floor next week, we anticipate.

□ 1600

And depending on how that work becomes available to us will determine the scheduling of the border security provisions. I do not think it is likely that that will be on the floor on Wednesday, but it is not impossible. I think it is more likely that that bill will be on the floor on Thursday, or maybe even later if other measures present themselves quicker than we think.

Mr. HOYER. Thank you. Reclaiming my time, as I understand it, the border security and immigration, one comes out of Homeland Security and one comes out of Judiciary. Mr. Leader, do you anticipate that they will be joined for purposes of consideration on the floor, or is it your anticipation that we will consider each one of them individually? I yield to my friend.

Mr. BLUNT. I thank the gentleman for yielding. Those bills were combined into one bill in the Judiciary Committee markup today, so I would expect to see that as one bill. And amendments could be submitted to the Rules Committee on that bill and the Rules Committee, I am sure, will allow some amendments on the floor as well.

Mr. HOYER. I thank the gentleman.

Something that is not on the notice, but there has been significant discussion of and great interest in on our side as well as your side, is the pension bill. I notice it is not on the announcement, but do you anticipate that that might be on the calendar; or has that been decided to go over? I yield to my friend.

Mr. BLUNT. I thank my friend for yielding. This is an important topic for us to deal with. Pension security is incredibly important to Americans and their future.

We believe we have a good bill from the Ways and Means Committee and the Education and Workforce Committee that has been put together. But I also understand that because both bodies have to be involved, it is highly unlikely that whatever we do would find its way to the President's desk this year.

At the same time, circumstances might allow us to move that bill next week. But I would not put that on the list of things that we are almost certain to do, but certainly it is on the list of things we are looking at to see if there is a way we can go ahead and advance a House position so that our friends on the other side of the Capitol can move on this issue as well, and early next year, we could come to conclusion on an issue that is so critically important to so many Americans and their families.

Mr. HOYER. I thank the gentleman. As he observes and I have observed, there is great interest. We know this is an important piece of legislation. Both sides and I think all interest groups want to address his issue as soon as we can. Hopefully, we can work together to effect a piece of legislation that can enjoy bipartisan support, can pass, and go into effect to assist so many millions of Americans who are concerned about the security that they have in their pensions. I know that is your desire, our desire, and hopefully we can proceed on that.

Mr. Leader, Mr. TAYLOR from Mississippi is on the floor and Mr. MELANCON from Louisiana was also on the floor. Both of them had inquired of me, appropriately, the status of the Katrina relief legislation. We are very interested in that being brought to the floor next week. It is my understanding that it probably will be, but it might be brought to the floor attached to another bill.

That is a critical piece of legislation. I think all of us want to make sure that we have the resources necessary and some of the legislative authorizations and law necessary to facilitate rehabilitation of the gulf area. Can you tell me when that might come to the floor and on what vehicle it might come to the floor, either as a free-standing bill or attached to another?

I yield to my friend.

Mr. BLUNT. I thank my friend for yielding, and I would like to remind my friend, as I am sure I do not need to, but the tax portion of this, also significant in terms of redeveloping the gulf coast, we did pass that bill this week as a stand-alone measure, so that no matter what happens this year in reconciliation we have an opportunity to move forward with Katrina tax relief.

We also need to move forward with other kinds of relief. As you mentioned, Mr. TAYLOR and Mr. MELANCON and other Members, our Members from Mississippi, Louisiana, east Texas, and Alabama have all been very interested in moving forward on relief for the families that are affected. I believe there is a broad understanding that we need to do this before the end of the year.

I do think, Mr. Whip, it is likely that that relief package will be part of one of these last two appropriation measures to move across the floor. I believe that works best for ensuring that this happens on both sides of the Capitol, both this body and the other body. And I would expect to see that Katrina relief package, with significant elements of items that the gentleman mentioned and others are interested in, will be in either the Department of Defense appropriations bill, as part of that debate, discussion, and vote, or in the Labor-HHS vote at another time in the week.

Mr. HOYER. I thank the gentleman for those remarks. Clearly, that is critical not only, as I said, to the people

that you mentioned from the areas affected, but to all of us who want to ensure assistance gets to the people there. And while the tax provisions may well be important, they are longer-term impacts, and in some respects shorter-term impacts, that we would otherwise provide.

Lastly, Mr. Leader, if I can, can you perhaps give us a preview of the schedule for next year? It is our understanding on this side that the probability is we will not be returning until the 31st of January. Has that been decided? Can you confirm that and maybe give us a brief preview of what our schedule next month and the months thereafter in the year to come might be?

I yield to my friend.

Mr. BLUNT. I thank the gentleman for yielding, and before I go to that, I would like to say, and I would hope he would share my view of this, that while the Katrina supplemental is important and needs to be done before the end of the year, that also anything in the tax structure that encourages rebuilding, making a decision to get your business back in the affected area rather than stay somewhere else you may have moved to is also important.

I would not want our colleagues on the other side of the building to think that somehow the tax portion of this can wait until next year. They both need to be done this year, and we are going to work hard to see that both of those things get done this year.

We have worked this year well beyond our schedule to work in Washington. Members had every reason to believe before the August work period that they would be home now and would have been home for several weeks talking about what we have done and what we hope to do. But when we do go home at the end of the next working series of days we will be working, we would anticipate that the Members would not come back until the 31st of January, and the first votes for the second session would occur on and after that date.

Mr. HOYER. I thank the gentleman for that information.

ADJOURNMENT TO MONDAY, DECEMBER 12, 2005 AND HOUR OF MEETING ON TUESDAY, DECEMBER 13, 2005

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next, and further, when the House adjourns on that day, it adjourn to meet at 12:30 p.m. on Tuesday, December 13, 2005, for morning hour debate.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. BLUNT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

TRIBUTE TO CARROLL CAMPBELL, FORMER MEMBER OF CONGRESS

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

Mr. DANIEL E. LUNGREN of California. Mr. Speaker, I rise in brief comment about a former Member of this House who passed away this week, Carroll Campbell. As one who came to this House with Carroll Campbell in January of 1979, I would say that if you were to draw a blueprint for an outstanding Member of Congress, you could do no better than to look to Carroll Campbell. Carroll Campbell served tremendously as the governor of his home State of South Carolina, but before that, served with great honor and distinction in this House.

Mr. Speaker, I can say that he was a man of great integrity. He was one that you admired in every aspect. I can recall him being the first Member from my side of the aisle south of the Mason-Dixon line who came out in support of the extension of the Voting Rights Act. He provided leadership in so many areas, whether tax policy, national defense or otherwise.

Carroll Campbell was a champion. Carroll Campbell left us far too soon, and we send our words, our good wishes, and our hopes with his wife and his children. This House is a greater place because of the service rendered to this House by Carroll Campbell.

IRAQ: COMMITMENT TO THE CAUSE

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

Ms. HARRIS. Mr. Speaker, I rise this evening to voice my support for our mission in Iraq and the global war on terror.

We stand at a critical juncture in the history of Iraq and in our own history. Do we ignore the steady progress toward democracy in Iraq? Do we hand victory to the terrorist insurgency on the eve of the historic December 15 elections? Or do we remain committed to the cause of freedom at home and abroad?

Our Nation already knows of the price of victory and how great it is, but the cost of failure would be far greater.

As Democratic National Committee Chair Howard Dean was engaging in the politics of partisans and the demagoguery of doubters, I was visiting with our amputees in the Walter Reed Medical Hospital. These brave men and women know why we are fighting and why we must continue to fight. They know better than any of us why their brothers in arms have died fighting. Their sacrifices have been made in the name of freedom and in the pursuit of victory.

Not only is victory in Iraq possible, but it is within reach. Faced with long painful recoveries, these soldiers focus on the positive and what can be done and what will be done. We owe them the same.

It is not the time for retreat. It is the time for our Nation's civilian leadership to stand with them. Their sacrifice obligates us to demonstrate the same level of commitment and dedication to this cause of freedom. And each day as a Nation, we are more indebted to these extraordinary men and women with whom I visited.

SPECIAL ORDERS

The SPEAKER pro tempore. 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.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

TRIBUTE TO SERGEANT BILL MEEUWSEN

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, the three words from the official seal of the United States Army states: ''This we'll defend.'' Sergeant Bill Meeuwsen was a member of the Army and he died carrying out this motto, defending the United States of America.

Mr. Speaker, I rise today to pay tribute to Sergeant Bill Meeuwsen. He was truly a remarkable person. Bill was born in Mount Vernon, Washington, on February 10, 1981, and when he was 10 years old, he and his family found their way to southeast Texas and moved to Kingwood, Texas. He attended Kingwood High School, one of the finest high schools in this country, and he graduated in 1999.

He went on to Texas A&M University, and he and some of his friends enlisted in the United States Army as a result of the attacks of September 11, 2001. His father Mike said ''Bill strongly believed that we all share a responsibility to serve on behalf of God and country, to protect freedoms we all cherish so deeply.'' It was that sense of

patriotism that led him to enter the United States Army.

Bill was initially deployed with the renowned Band of Brothers to Camp Giant, near the Korean demilitarized zone in March of 2003. A year later, he was assigned to the 2nd Battalion 502nd Infantry Regiment, 2nd Brigade Combat Team of the 101st Airborne Division of Fort Campbell, Kentucky. It was there he married his wife, Lauren Lynn, on August 18, this year, 2005. She was the daughter of a Colonel who was also serving in Iraq.

Bill was then deployed to Iraq just 3 months later, in October of 2005. Two months after that, on the day before Thanksgiving this year, Sergeant Bill Meeuwsen was one of two soldiers killed in action when his unit came under direct fire near Baghdad. He was the 186th Texan killed in Iraq since the war began. One out of every ten people serving in the United States military today is from the State of Texas.

Mr. Speaker, Bill is remembered as a person who loved his friends and family. He enjoyed playing basketball with his buddies, and he had compassion for animals. When he was growing up, he used to hide animals in his home. His friends and family will never forget his friendly and ever-present smile.

□ 1615

He had a great sense of humor and a way of making anyone around him feel comfortable. His father, Mike, spoke of his sense of adventure and interest in exploring other countries and cultures, which he was doing by fulfilling his Army experience.

While in Iraq, Bill spoke with his wife, Lauren, and parents, Mike and Thresa frequently. In one of his most recent conversations, he was upbeat and excited about his unit's recent success in the field in Iraq. He felt strongly they were accomplishing their mission and goal, making a difference in Iraq for those people. A week before he died, he sent home this photograph of him taking a break in Iraq enjoying tea in the Iraqi custom.

Mr. Speaker, here is a photograph of Bill shortly before he was killed in active duty in Iraq. It shows this big man, this big son of America, taking a break while on duty in Iraq for his country and for the people of Iraq.

During another conversation with his mother Thresa, she was crying when she spoke with her son because Bill's platoon had recently suffered four casualties, and she was worried how he was handling this. But Bill was very clear in his response to his mother. He told his mother, ''Mom, you do not need to cry for the soldiers who were killed. They are all in heaven. They were good men. They died doing what they wanted to do. Cry for their families.'' Wise words from one of America's sons.

His clear and matter-of-fact responses have been a tremendous source of comfort to his wife and to his parents since his death.

While Bill was stationed in Korea before he went to Iraq, he met a man named Ahn. Ahn was a sergeant in the South Korean Army. He and Bill made quick friends. They made an odd pair since Ahn was relatively short and Bill was 6 foot 4 inches tall. On numerous weekends the two of them would catch the train to Seoul, South Korea, where they explored the city, and Ahn helped Bill learn the customs of the Korean people. Bill even got to go to Ahn's parents' home.

After he learned of Bill's passage, Ahn sent a heartfelt letter in broken English to the Meeuwsen family in Texas. It reads in part: ''There is an old Korean saying that 'too nice and good person tends to be taken by God earlier than usual.' I strongly sure that Holy Father have special plan to brighten the heaven with Mr. Meeuwsen.''

Mr. Speaker, I am sure that heaven is already brighter with Bill up there, and I would like to extend my prayers and our condolences to his parents, Mike and Thresa, to his relatives, his friends, the community of Kingwood, Texas, his wife, Laura Lynn. Sergeant Meeuwsen touched so many lives in his 24 years. He was a freedom fighter, he was an Aggie, a son of proud parents, a member of the band of brothers, an American warrior, and an inspiration to all patriots. His patriotism and heroism and his life will not be forgotten. He paid for freedom with his life. He paid for our safety with his blood, and he paid for our future years with his youth.

When I talked to Sergeant Meeuwsen's father, Mike, about what his son believed in and his reasons for his personal involvement in Iraq, he said this: ''I am here for God, country, and freedom.''

Mr. Speaker, that says it all.

God bless Bill and God bless our troops and God bless America. That is just the way it is.

TAX CUTS BENEFIT THE PROSPEROUS

The SPEAKER pro tempore (Mr. MCHENRY). Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

Mr. SCHIFF. Mr. Speaker, in the face of our $8.1 trillion debt, the House recently passed a budget reconciliation bill. This so-called Deficit Reduction Act cut spending by $53 billion by cutting programs like health care for the sick, education benefits for students, child support help for parents, and food stamps for hungry families. Even as supporters of the budget reconciliation bill applauded their own new-found frugality, they knew the savings would never be realized because today the House passed a tax reconciliation bill, erasing the 3-week-old savings of $53 billion with $70 billion in new tax cuts. And most egregiously, the lion's share of these tax cuts benefit the most prosperous among us.

At a time when one in seven Americans have no health insurance, the budget bill cut $11 billion for Medicaid, the most basic part of America's safety net. It further empowered health care providers to turn away patients who are unable to pay. This was not only uncaring but fiscally unwise. It will cost our Nation more certainly in the long run when significant health problems are left untreated.

Mr. Speaker, with a Federal debt now of $8 trillion, every American owes $27,000. Americans understand that the inability of the administration and Congress to balance the budget will have a disastrous effect on future generations. Imagine leaving our kids with an unpaid $27,000 credit card bill and more interest on the way.

But holding back medical treatment for chronically ill children is not the way to restore fiscal discipline. Neither is making cuts to education that will close the doors of opportunity to a generation of students. The budget bill cut student loan programs by more than $14 billion. With new fees and higher interest rates, educational opportunities will be lost, and all of the stimulus to the economy that would have been generated by all those new engineers and scientists will be lost with them.

Does our Nation truly benefit economically or otherwise by pushing so many deeper into poverty, or by closing the doors to higher education? In the wake of Hurricane Katrina and all that it revealed about the persistence of poverty in America, can we really have a more secure future with a less effective safety net?

I am proud to be a member of the Blue Dog Coalition, a group of moderate and conservative Democrats concerned about fiscal responsibilities. I join my Blue Dog colleagues in seeking ways to reduce the debt; but we were compelled to oppose this bill because it was a sham, a debt increase that made the poor poorer, the rich richer, and the country's future even more precarious. Any reasonable look at the numbers will easily reveal the truth: these bills result in an increase to the national debt.

As a Nation, we have gone from an $86 billion surplus under President Clinton in 2000 to a record $412 billion deficit last year. Our fiscal house is more than out of order; it is spiraling out of control.

What we need right now is a balanced budget strategy and one that honors the values of the American people, that rewards work not wealth, that requires the sacrifice of all Americans for the common good and not the sacrifice alone of the poor, the young, or the infirm.

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.)

UPHOLDING TRADE REMEDY LAWS IN HONG KONG

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Texas (Mr. BURGESS).

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

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, we are on the eve of the World Trade Organization's ministerial meeting in Hong Kong, and it is critical that the U.S. maintain its upper hand in pursuing its goals of a successful Doha Round and also exercising leadership in the global trading system.

I recently led a bipartisan group of my colleagues to Brazil to participate in a study trip to help strengthen the bilateral relationship between our two countries. During our time there, we met with top Brazilian negotiators to discuss key trade issues that we expect will be addressed next week in Hong Kong.

At our meetings, my colleagues and I drove one critical message, and that is our government's unwavering commitment to the utilization and protection of our trade remedy laws.

There is no doubt the U.S. employers rely on these laws which serve as a fundamental line of defense, an opportunity to police our markets against unfair trade and to preserve domestic industries that otherwise would be at risk. There is no question that it is the responsibility of Congress and the administration to ensure that our firms have the proper tools to fight illegally traded goods and services.

While we are committed to opening our markets, and have done so historically, reducing trade-distorting subsidies and eliminating non-tariff barriers to trade, we are not willing to give up appropriate tools that we have to police our market for illegally traded imports.

To reinforce this, I introduced a resolution, H. Res. 577, calling on U.S. negotiators to stand firm in the face of international pressure and uphold our trade remedy laws during the WTO's Doha Development Agenda Round. Many in the Doha Round, particularly the so-called friends of antidumping negotiations, have targeted U.S. antidumping and countervailing duty measures as distortions to trade. They claim they are antifree trade, and yet the fact remains that our participation in a free trading system is contingent on our ability to have access to these remedies.

These laws, as I said, are the last line of defense, and eliminating or weakening them is not a solution to making sure that they work appropriately. Nor is, in this political climate in Congress, weakening or watering down the ability of the U.S. to utilize its appropriate trade remedy laws in any way a viable position.

The time has come for Congress to draw a line in the sand and take a much tougher stance with our trading partners to ensure that they fully abide by the rules-based global trading system.

We will not stand by and let other countries try to use negotiations to undermine the intent of our domestic trade remedy laws. America will no longer tolerate unfair trading practices at the expense of our workers. Our trade laws have a fundamental purpose and are used only when others break the rules. Congress will not allow this last line of defense to be compromised in any way, and our negotiators need to recognize that.

My resolution will make very clear what our position is and in the process fend off any attempts to derail our trade laws and put the House on record opposing any multilateral agreement that will weaken these important U.S. trade protections. Senators CRAIG and ROCKEFELLER have introduced a similar resolution which was included in the Senate's tax reconciliation bill, adopted overwhelmingly by the U.S. Senate. This week our Chamber voted on our own tax reconciliation measure. We are making one step closer to having this resolution become law.

I urge my colleagues to lend their support to our resolution and join me in working to ensure that the Craig-Rockefeller initiative is included in Congress' tax reconciliation package as we move to a final package. And as we move closer to the trade talks in Hong Kong, which we hope will be successful, we must carefully monitor the progress of the Doha Round and specifically the rules negotiations to ensure that we do not resign ourselves to agreements that would in any other way impede American producers from policing the domestic market.

This is a fundamental issue for a country that recognizes that our future is in engaging in the international trading system, but also that we need to be prepared to reflect back and at least provide the fundamental guarantee to American companies and American workers that the rules will be followed.

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 in the Extensions of Remarks.)

PEAK OIL

Mr. UDALL of New Mexico. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Illinois (Mr. EMANUEL).

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

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Mexico (Mr. UDALL) is recognized for 5 minutes.

Mr. UDALL of New Mexico. Mr. Speaker, I rise today to stress how important it is for the United States to take a bold new approach to our energy supplies. Our economy and way of life depend on cheap oil. In many ways, cheap oil is responsible for our prosperity. Since oil provides about 40 percent of the world's energy, a peak in global oil production will be a great turning point in human history. Oil and natural gas literally transport, heat, and feed our country. Therefore, we must summon the political will to act immediately, diversify our energy supplies, and mitigate the negative changes that will undoubtedly accompany the world peak in oil and natural gas production.

Peak oil is a fact, not a theory. Oil production has now peaked in 33 of the world's largest 48 oil-producing nations.

□ 1630

A recent Energy and Air Quality Subcommittee hearing showed that a growing number of energy experts agree that a peak in world oil production is either imminent or likely to occur by 2015. The United States demand for oil continues to increase by about 2 percent per annum. As global demand has increased faster than production, the once substantial cushion between world oil production and demand has decreased. This phenomenon has increased the price of oil. Consequently, huge amounts of American money, up to $25 million per hour, go abroad to pay for foreign oil. Middle eastern countries, flush in oil dollars, help fuel the terrorism we are fighting. Some say market forces will solve the peak oil problem. They argue that as we approach or pass the peak of production, oil prices will increase and alternatives will become more competitive.

However, no alternative currently available will make it more competitive. However, there is no alternative available anywhere near ready to replace oil in the volumes we use it today. What is more, even today's oil prices do not accurately reflect the full social costs of oil consumption. Currently, Federal and State taxes add up to about $0.40 per gallon of gasoline. A World Resources Institute analysis found that fuel related costs not covered by drivers are at least twice that much. Oil prices do not include the full cost attributed to road maintenance, the financial risk of global warming or threats to national security from importing oil. Without these externalities in the market, significant private investment in alternative technologies will not occur.

Over the past hundred years, fueled by cheap oil, the United States has led

a revolution in the way the world operates. Replacing this resource in a relatively short time is an incredible challenge, an imperative to the survival of our way of life. The United States has faced such challenges in the past. In response to great challenges and inevitable threats, we pooled our resources and ingenuity to build an atomic bomb in just a few years and put a man on the moon in a decade. We can and must do this again. We must commit to a bold new initiative.

To eliminate our dependence on foreign oil and develop a new economy based on renewable, non polluting energy, we need a massive, long-term investment in research for both basic and applied science. We must produce effective policies that create a new generation of scientists devoted to changing the way we produce energy. Additionally, we must commit to decreasing our demand for oil. We can start by increasing efficiency. Transportation in the United States accounts for 16.5 percent of the world's oil consumption. Transporting goods and people by rail is at least five times as efficient as automobiles. We must revive and reinvest in our passenger and freight rail system. Looking at our automobile fleet, modest increases in fuel efficiency, using existing technology will decrease our oil usage by about 1 billion barrels per year. However, the turnover rate for the automobile fleet is 10 to 15 years, therefore, we must start immediately.

The buildings in which we work and live are terribly inefficient. We could easily reduce their energy consumption by one-half. We must immediately weatherize and make more energy-efficient tens of millions of buildings. Our bold new initiative must instill these ideas into the American consciousness. The sooner we start, the smaller our sacrifices will be.

The SPEAKER pro tempore (Mr. MCHENRY). Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE WAR IN IRAQ

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent to assume the time of the gentleman from Indiana (Mr. BURTON).

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

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, in August of 2002, 2 months before Congress voted for the war in Iraq, Dick Armey, then our Republican majority leader, gave a speech in Des Moines, Iowa. He said, ''I don't believe America will justifiably make an unprovoked attack on another nation. It would not be consistent with what we have been as a Nation.''

The very popular conservative columnist, Charley Reese wrote, before the war, that it was ''ludicrous'' to believe Iraq was any kind of threat to us. Mr. Reese added, ''This is a prescription for the decline and fall of the American Empire. Overextension, urged by a bunch of rabid intellectuals who wouldn't know one end of a gun from another has doomed many an empire. Just let the United States try to occupy the Middle East,'' Mr. Reese said, ''which will be the practical result of a war against Iraq, and Americans will be bled dry by the costs both in blood and treasure.''

The conservative columnist, Paul Craig Roberts, Assistant Secretary of the Treasury under President Reagan wrote, before the war, that a ''U.S. invasion of Iraq is the beginning of World War IV.'' He considered the Cold War as World War III.

Mr. Roberts added that going to war in Iraq ''will not solve the Israeli-American conflict with militant Islam. On the contrary, it will widen it.''

Jack Kemp wrote before the war, ''What is the evidence that should cause us to fear Iraq more than Pakistan or Iran. Do we reserve the right to launch a preemptive war exclusively for ourselves or might other nations such as India, Pakistan or China be justified in taking similar action on the basis of fears of other nations?''

Mr. Kemp said, based on the evidence that he had seen, there was not ''a compelling case for the invasion and occupation of Iraq.''

James Webb, Secretary of the Navy, under President Reagan, wrote a column for The Washington Post, before the war, saying if we invaded, we would have to occupy Iraq for 30 to 50 years and that American soldiers would ''quickly become 50,000 terrorist targets.''

He added, ''These concerns and others like them are the reasons that many with long experience in U.S. national security issues remain unconvinced by the arguments for a unilateral invasion of Iraq. Unilateral wars designed to bring about regime change and a long-term occupation should be undertaken only when a nation's existence is clearly at stake.''

Many other conservative columnists, such as Doug Bandow, Pat Buchanan, Joseph Sobran, Steven Chapman, the late Sam Francis, and many others, wrote columns opposing this war before it started.

Later, William F. Buckley said if he had known in 2002 what he knew then, in 2004, he would have opposed the war.

Lewis Lapham, writing in Harper's Magazine, before the war, said, ''the Iraqi Army, never formidable, is less dangerous now than when it was routed in the 4 days of the Gulf War, Iraqi Air Force of no consequence, the civilian economy too impoverished.''

U.S. News and World Report in October of 2002, before the war, carried a lengthy article entitled ''Why War, Why Now?'' and said, ''Many question the rush to attack.''

Fortune Magazine, long before the war, carried an article entitled ''Iraq, We Win. What then?'' The article said a ''military victory could turn into a strategic defeat'' and that an American occupation would be ''prolonged and expensive,'' and ''could turn U.S. troops into sitting ducks for Islamic terrorists.''

When they found out I was against the war, the White House had me and five other members down for a briefing by then National Security Advisor Condoleezza Rice, George Tenet and John McLaughlin, the two top people in the CIA.

I asked how much Saddam Hussein's military budget was in comparison to ours. I was told a little over 2/10 of 1 percent.

I asked if you could get by the traditional conservative positions of being against huge deficit spending and making the U.S. the policeman of the world and placing almost all of the burden of enforcing U.N. resolutions on our people, was there any evidence at all of an eminent threat?

Mr. Tenet said no, there was not. And he later confirmed this in a speech at Georgetown University the day after he resigned.

According to Bob Woodward's book on the war, the President received a briefing from these same CIA officials on December 21, 2½ months after the Congressional vote and responded with words to the effect, ''Is that the best you've got. That will never convince Joe Public.''

Quoting Charley Reese, the conservative columnist again, the war in Iraq was ''against a country that was not attacking us, did not have the means to attack us, and had never expressed any intention of attacking us, and for whatever real reason we attacked Iraq, it was not to save America from any danger, imminent or otherwise.''

Many conservative leaders and columnists were against this war from the beginning because it went against almost every traditional conservative position and there was nothing conservative about this war.

The traditional conservative position was stated many years ago by Senator Robert Taft who said, ''No foreign policy can be justified except a policy devoted to the protection of the American people, with war only as the last resort and only to preserve that liberty.''

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

OUR ECONOMIC PROSPECTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY. Mr. Speaker, data released Monday on productivity and wages show why the American people do not believe President Bush when he says our economic prospects are bright and improving.

Yes, productivity is strong, and the economy is growing. But the benefits of that growth are showing up in the bottom lines of companies, not in the paychecks of American workers.

While productivity grew at a 4.7 percent annual rate in the third quarter, workers' pay, including benefits, shrank at a 1.4 percent rate. Let me repeat that important point. Workers' pay shrank by 1.4 percent.

Americans are working harder and producing more, but they are getting paid less.

President Bush is seizing on some recent favorable economic indicators to claim that the Nation's economic outlook is brighter than we have seen recently. I certainly wish that that were true for most Americans. The typical American family has a very different view because they know that they are still being left behind in the current economic recovery.

When I listen to the President recite the numbers he thinks show Americans are doing better, I am reminded of his speech in the Rose Garden several days after Katrina struck the Gulf Coast, when he recited the numbers of trucks, pounds of rice and the National Guardsmen he had ordered to New Orleans. Meanwhile, anyone with a TV set would see that Americans were still desperately struggling to survive with absolutely no Federal help.

The President seems equally out of touch on the economy. Ask your constituents how they are doing. Ask them if they have a secure job with benefits. Ask them if they are confident that they will have a job until they are ready to retire. Ask them if they think their children will have a job when they graduate from college.

In fact, a closer look at the numbers show that the administration has run a strong economy into the ground. Here are the facts. Under the Bush presidency, the economy has experienced the most protracted job slump in the postwar era. That is the worst record of any president since Hoover and the Great Depression.

The unemployment rate is nearly 1 percentage point higher than it was when President Bush took office. That is a 25 percent increase from where it was in the Clinton administration.

Over 1.6 million more people are unemployed. Twice as many people are long-term unemployed. Most people are actually earning less. The typical worker's earnings have barely kept up with inflation under President Bush, and real wages have been declining recently.

Under President Bush, real median household income is down $1,700, and 5.4 million more Americans live in poverty. That is the greatest decline in real household income and the second largest increase in the poverty rate of the last nine administrations. The most vulnerable among us are being hit the hardest. Under President Bush, real median family income has fallen for each fifth of the income distribution, but the largest decline has been in the poorest fifth of the distribution.

Because of the reckless economic policies of this administration, large projected budget surpluses have been turned into large actual deficits and the Federal debt is ballooning, rather than shrinking as it was at the end of the Clinton administration.

And here we see the numbers in blue of the surpluses during the Clinton years. Yet when the Bush Administration came to power, that surplus disappeared and we have had ever increasing deficits reaching the highest deficit recorded in our history of over $412 billion. It has come down to $319 billion, but it is still a structural problem.

We also have the largest trade deficit in the history of this country, of over $670 billion.

□ 1645

As Federal Reserve Chairman Greenspan and many other economists repeatedly noted, our exploding deficits and debt are long-term structural problems that are rapidly getting worse. Only last week he repeated that warning: ''In the end, the consequences for the U.S. economy of doing nothing could be severe,'' and our allies have called our deficits ''unsustainable'' even as we continue to increase the amount of U.S. debt held by China and other Asian nations.

As Chairman Greenspan also warned recently, "at some point, foreign investors will balk at further financing" the growing U.S. deficit.

Thanks to the economic policies of this Administration, our national debt now stands at $8.3 trillion. That translates into over $27 thousand of debt for every man, woman and child in the country.

What is this Administration doing about this crisis?

They have increased the debt ceiling three times.

They have pushed for deficit-raising tax cuts for the very wealthiest while refusing to give tax relief to the middle class.

This Administration is continuing to set records for debts and deficits while turning its back on working Americans.

The SPEAKER pro tempore (Mr. MCHENRY). Under a previous order of the House, the gentleman from Texas (Mr. PAUL) is recognized for 5 minutes.

(Mr. PAUL addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

WE ARE WINNING THE WAR AND WINNING THE PEACE IN IRAQ

Mr. PENCE. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Texas (Mr. PAUL).

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

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. PENCE) is recognized for 5 minutes.

Mr. PENCE. Mr. Speaker, despite what many Americans may see on cable television networks over the last several months, as I learned again today in a meeting with the President of the United States; the Secretary of Defense; with General Casey, the four-star general in charge of Operation Iraqi Freedom, through a satellite link, Mr. Speaker, we are winning the war in Iraq. And 7 days from today in the midst of an ongoing victory for the freedom of tens of millions of Iraqi people, we will once again see the people of Iraq use the freedom won by the American soldier in forming their own government and adopting parliamentary elections.

The ongoing victory in Iraq was described by the President at a speech just 1 week ago at the Naval Academy in Annapolis, Maryland; and like the meeting that I attended at the White House today, I had the privilege of joining the President for that address, and there he described his strategy for victory.

And let me say that while there have been sometimes loud and cacophonous debates on this floor about the need for a plan or the lack of a plan, what is available today, Mr. Speaker, at whitehouse.gov for all Americans to examine is a recently declassified version of what has always been the plan. It is, in effect, a three-track approach that involves political, military, and economic initiatives to achieve a free and stable and democratic Iraq, and we are winning in this cause.

With less than 7 days to go before the Iraqi people will engage in parliamentary elections, I am delighted to report to the Members and any looking on that the American people, the people in Indiana that I serve, will be proud to hear what I have heard, to see what I have seen in my three different trips to Operation Iraqi Freedom, and they too would conclude inexorably that we are winning the war in Iraq.

On the military front, as General Casey described today, over 200,000 Iraqis have been trained and equipped, both military and police personnel. For the national elections that took place earlier this year, there were 80,000 fewer Iraqis in uniform. Today there is one full Iraqi division, four Iraqi brigades, four Iraqi battalions that are leading the fight in places like Najaf, Karbala, the dangerous road to the airport in Baghdad, in Tikrit. In one city

after another, these Iraqi military personnel are on the point. They are leading the fight, along with 160,000 American military personnel.

And the Iraqi people themselves are becoming more involved in advancing their own security and stability. Here is an interesting fact, Mr. Speaker, that I just learned today: in March of this year, there were essentially 400 tips by Iraqis of insurgent activities, tips made to U.S. and coalition forces. In the month of November, we logged more than 4,700 tips from regular and ordinary Iraqis. The people of Iraq are partnering in their own security and in their own freedom, and that 10-fold increase of that partnership speaks for itself.

On the economic front, we have seen 30,000 new businesses. And GNP per capita in the last year has more than doubled in Iraq for ordinary Iraqis. It is an extraordinary record of success.

Politically, we have around the corner parliamentary elections; and as we speak, Mr. Speaker, there are 327 political entities, or as we might call them, parties or organizations, and 7,000 candidates that will be answering the call of millions of Iraqis who will put themselves, as 8.5 million Iraqis did in January of this year, in harm's way to exercise their own freedom.

It is my fondest hope, Mr. Speaker, that when the President of the United States comes into this well on January 31 of 2006 that maybe in this Chamber, in a seat in this Chamber, might be a legislative leader, or two, of the newly elected Iraqi Parliament.

I have been to Operation Iraqi Freedom three times. I have sat even today with our military commanders and the President of the United States. As we go into this weekend, let the word go forth from here: we are winning the war and winning the peace in Iraq.

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.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GOHMERT) is recognized for 5 minutes.

(Mr. GOHMERT 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 Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

(Mr. GUTKNECHT 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 California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER 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 Arizona (Mr. FRANKS) is recognized for 5 minutes.

(Mr. FRANKS of Arizona addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

30-SOMETHING WORKING GROUP: TAX CUTS AND THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of January 4, 2005, the gentleman from Ohio (Mr. RYAN) is recognized for 60 minutes as the designee of the minority leader.

Mr. RYAN of Ohio. Mr. Speaker, I appreciate the opportunity to be on the House floor here tonight with my good friend from Florida (Mr. MEEK) to continue our discussion that we have been having with the American people and with Members of Congress from all over the country the past few months and even few years.

Today, Mr. Speaker, the Republican-led Congress has once again taken a step in a direction that I think moved it and this Congress away from mainstream America.

Today, the majority has passed another wealthy-focused tax cut in which $60 billion, up to $80 billion, over the next 10 years will be spent subsidizing the wealth of the people in this country who make millions and billions of dollars, an average tax break of $32,000 to wealthy millionaires who have already received more than $103,000 in tax cuts. More than half the taxpayers making less than $100,000 a year will receive less than $30 back from this tax cut. This is a tax cut that has clearly been focused on the wealthy Americans.

And coincidentally enough, a couple of weeks ago, our friends, our good friends on the Republican side, have said that they passed a budget deficit reduction package which made cuts of $50 billion; and then they passed a tax cut which took away $80 billion, which is a negative $30 billion deficit in the hole. Only in Washington is that deficit reduction.

And before we get going here, I want to just share and read into the RECORD, if my friend does not mind, a letter that was sent, and I know I received one of these and a statement on behalf of several religious organizations. Bishop Frank Griswold of the Episcopal, Anglican, Church USA, together with leaders of four other mainline denominations, has called on the United States Congress to defeat the 2006 Federal budget once and for all because it betrays the poor.

And I just want to say to Bishop Griswold and the Anglican Church in the United States of America and the other denominations that are there, Dr. Kirkpatrick of the Presbyterian Church; Reverend Thomas, general minister and president of the United Church of Christ; Mr. James Winkler, general secretary, Board of Church and Society for the United Methodist Church, thank you for speaking out against this.

Because in this day and age, morality and values have been such a strong topic of conversation in the United States, I want to commend these folks for stepping out front and saying that this budget and tax cuts for the rich while we are cutting food stamps; free and reduced lunch; child support enforcement payments; money for college, Pell grants; cutting those programs and then giving tax cuts to the wealthiest people in the country is something that goes in direct contradiction to what they are trying to teach.

And if I could just take a minute or two to read some of these comments into the RECORD, if my friend does not mind:

The church leaders declare: ''At each stage of the complicated legislative process, we have viewed the budget through the lens of faith and our values and found it wanting. Now we ask that it be defeated once and for all.'

''Despite the exposure of poverty in the U.S. revealed in the aftermath of Hurricanes Katrina and Rita, the statement says, 'Congress continues to make decisions which benefit the rich but are paid for by the poor and most vulnerable in our land.'

''The leaders criticized the budget's potential compromises which would cut funding for food stamps, heating subsidies, Medicaid, and child support enforcement.

''They will seek to find compromise where there should be no compromise, that is, with the lives and future of the poor of this country.'

''They asked that Congress reflect during the season of Advent, reject the budget and join with the President to craft a budget that will reflect 'our Nation's historic concern for justice and the least among us.' ''

This is not TIM RYAN. This is not KENDRICK MEEK. This is not the 30-something Working Group. This is a group of bishops and church leaders all over the country who have stepped out front and stated that cutting taxes for the wealthiest people in our country and doing it on the backs of the poorest among us is not consistent with the values that they teach in their churches every week.

Here is Cal Thomas. Cal Thomas is one of the most conservative columnists. I do not even know if he is a Republican, but he is a conservative columnist with the Washington Times. When we are finding all this money to balance our budget, Cal Thomas says: ''Here's a suggestion: Don't start with the poor. Start with the rich.''

We passed an energy bill several months ago out of this Chamber that had $16 billion in subsidies for the energy companies and the oil companies,

the most profitable industries today. This Congress took your tax money that you send to Washington and gave it to the oil companies to basically subsidize and increase their profits. There is something wrong with that.

And the 30-Something Working Group is here and we will have charts later, talking about some of our ideas that we have and some of the ideas that Leader PELOSI has and the Democratic Party has and what direction we want to move this country in. And we believe that what is going on here is not only contrary to what we believe in, but also contrary to what the American people believe in. We should now be making investments in education. I mean, why would we give millionaires a tax cut and not have enough money to actually heat homes in the wealthiest country in the entire world?

And I know my friend from Florida wants to get in here and talk a little bit. But just today, this just happened, we were cutting taxes to the tune of $80 billion over the next 10 years. At the same time a few weeks ago, we were cutting food stamps and increasing the cost of college tuition.

Mr. Speaker, I yield to the gentleman from Florida (Mr. MEEK).

Mr. MEEK of Florida. Mr. Speaker, I am so glad that Mr. RYAN set the pace here and he laid the foundation for continuing our discussion as it relates to responsibility. I can tell the Members the ideas that we had here on this floor as it relates to sensible tax policy that will not drive us further into debt.

What happened today on the floor, not because of our votes, but because of the majority vote, the Republican majority, they took this country further into debt.

□ 1700

They made it so we are going to have to change our board here, because we are going to be borrowing more money from foreign countries, Mr. Speaker, because of the deficit.

I will say this again. President Bush, with the Republican majority, I guarantee you he could not do it by himself without the Republican majority here in this House, has borrowed a record-breaking, mind-boggling $1.05 trillion in the last 4 years, more than 42 Presidents prior to the President taking office.

42 Presidents, Republican and Democrat. Some of the gentlemen here on this board were once members of the Whig Party. But I can tell you they were only able to achieve borrowing from foreign nations $1.01 trillion over 224 years. This is the same majority and the same President that says that we know exactly what we are doing as it relates to putting this country on the right track.

Well, I can tell you, Members of the Congress, that I am very, very concerned. We used to have a discussion about future generations and putting the burden on their back. We are putting the burden on this generation's back. It is going to cost more for kids to go to school. It is going to cost more for parents to send their children to school. It is going to cost more for those young Americans that would like to educate themselves to be able to save enough money to be able to go to college, because we cut it by $14.3 billion.

So I think it is important that we take all of this into account. But what I would also like to say, Mr. Speaker, in my opening comments, I cannot help but commend our Democratic leader for her privileged resolution here today, outlining a culture of corruption and cronyism and incompetence in Washington, D.C.

I think it is important that we say that out loud so that individuals understand that we must not only police ourselves in how we conduct business, but what we are doing when we have investigations, unprecedented here in this Congress and investigations over in the White House, dealing with national security breaches. It is important that we make sure that the American people know exactly what is going on and that we take appropriate action in a bipartisan way.

Right now we are not taking any action. There is discussion about action. And I just want to commend the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ) and the Speaker about having ethics training here in the House. I just wanted to say that. That is something. That is something. That is better than what we had yesterday.

Ms. WASSERMAN SCHULTZ. Do you need any ethics training? You and I served in the Florida house of representatives together, in the Florida senate together, now we serve in the United States Congress. You know, the ethics training I got began in kindergarten when my mom and dad taught me right from wrong.

I have had ethics training my entire life. It is not understandable to me why we would need and why there are some Members in this body that appear to need it.

Mr. MEEK of Florida. Well, let me just say this, and I say this is something that I have read in the paper today, and I am pretty sure some sort of memo is going to come out on it: when you are in a culture of corruption and cronyism and incompetence, you have to start, I guess, somewhere.

Apparently, Federal prosecutors and other investigating bodies here in this Capital City have taken steps to try to help those of us here in Washington, D.C. that need help as it relates to that kind of training. But let me just make this point. Do we need ethics training? I think we need to be reminded of that, because as I said last night, Mr. Speaker, 33 percent of Americans feel that we are doing the right thing here in Washington, D.C.

I saw a poll today that said 28 percent of Americans agree with what we are doing.

Ms. WASSERMAN SCHULTZ. I want to ask you another question. Do you need ethics training to tell you that you should not take bribes? Do you need ethics training that tells you that you should not circumvent State law and provide fund-raising assistance and direct contributions to candidates for State office?

Mr. MEEK of Florida. I just want to say that it is alleged activity.

Ms. WASSERMAN SCHULTZ. I was just asking a question.

Mr. MEEK of Florida. It is important. Anytime anyone can get information between right and wrong, I think it is good. I think it is good. I think it is good that we have this discussion. But we need action.

The gentleman from Massachusetts (Mr. DELAHUNT) had a colloquy with a Member on the other side talking about the war in Iraq and the kind of action that we have to take as it relates to the corruption and cronyism and incompetence in contracting.

He said that it was important, and he yielded to this distinguished Member of this House. And he said, yes, we should have a discussion on it. Mr. DELAHUNT reclaimed his time and said, no, we should not have discussion on it, we should have action on it, because that is what the American people want.

And I think it is important that we get to the bottom of it. I think it is important. We have to. We must get to the bottom of it. It is important that we start taking steps in a bipartisan way.

Now, I am going to tell you that the Democratic leader brought up a privileged resolution today that basically talked about the spirit of the rules of the House being violated, talked about the fact that we had issues here of former Members that served in this Congress and the previous Congress, in the 108th Congress, that were a part of not only questionable, illegal activities.

Mr. RYAN of Ohio. Allegedly.

Mr. MEEK of Florida. No. Some have left and have pled. Forget about a trial. They have said, oh, I am guilty. So that is not an issue. Some of it is alleged, ongoing now; but some of it is actually proven. So that means that we have a lot of work to do in a bipartisan way. And I am going to be honest.

Like it or not, Mr. Speaker, I am glad that this Speaker took some steps as it relates to talking about the issue that we do have a problem and we need to do something about it. Is it almost like many people that are struggling with substance abuse, they have to first say they have a problem for them to even get on the road of recovery.

I talked last night about the fact that how can you operate a government in a fiscal way, in a responsible way, in a way that Democrats, Republicans, independents and other party members would like for their government to function in this democracy; how can you do it under a culture of corruption, cronyism and incompetence. You just cannot do it.

This is not the 30-something Working Group report, this is not your report, it is not my report. It is what the American people know, and that is what people are reporting about, and we have all of these investigations going on.

Mr. RYAN of Ohio. Let us break this down. If people are saying that Members are doing things or former Members, I want to correct myself, former Members were doing things that would cost the government money or would spend money that otherwise would not be spent, that is a problem.

And I think we have to look no further than the Medicare prescription drug bill that came out of this Congress. We were told the night at 3 in the morning, when we were voting, that this bill was going to cost $400 billion. We find out later that the actual cost of the bill is $700 billion, $300 billion more; and there is nothing in the bill to reduce the cost of prescription drugs.

The Democrats, I know you remember this, the Democrats wanted to put a provision in the bill that would have allowed the Secretary of Health and Human Services to negotiate down the drug prices on behalf of the Medicare recipients, so the Secretary of HHS would go to Merck and Pfizer and some of these other big drug companies and say, you know, if you want the Medicare prescription drug contract, we need to sit down and talk price.

And not only did our friends on the Republican side not put that provision in, put the Democratic provision in there, they actual explicitly put in the bill that the Secretary of Health and Human Services is not allowed to negotiate down the drug prices.

The Democrats also with what we thought was a $400 billion Medicare prescription drug bill that ended up being, months and months later the truth came out, over a $700 billion bill, we also wanted to allow, the Democratic Caucus wanted to put in a provision that would allow for reimportation from Canada and some of the other G–7 countries to drive down the costs of prescription drugs here in the United States, to basically free-trade pharmaceuticals with countries who have the proper health and safety standards like we have here in the United States of America. That was not allowed in the bill, Mr. Speaker.

So two basic provisions that would have saved the taxpayer billions of dollars were not put in because it would have maybe hurt the profits of the drug companies. And the drug companies raised millions and millions and millions of dollars for our friends on the Republican side. Now the average American is left to put two and two together.

Mr. MEEK of Florida. I ask the gentleman from Ohio (Mr. RYAN), who would be happy tonight, based on the passage of the bill that passed today? Who would be happy?

Mr. RYAN of Ohio. There are a lot of people who make more than a million dollars a year or a few hundred thousand dollars a year that are going to be very happy with what we did here today.

Mr. MEEK of Florida. You mean what the majority did?

Mr. RYAN of Ohio. What the Republican Party did today was make a lot of rich people very happy. That is the answer.

Mr. MEEK of Florida. I would also add corporations that have influence and power. What is it, K Street?

Mr. RYAN of Ohio. Shakedown Street.

Mr. MEEK of Florida. I thought so.

Mr. RYAN of Ohio. I got this chart here. This is the end result. This blue is the Clinton-era budget deficits that by 1997 started turning into surpluses; and by the time President Clinton left, $128 billion surplus. And that was all based on the 1993 vote that was passed, the budget in 1993 without one Republican vote.

Now, these are just the facts. I am not making this up. This is not a partisan statement; it is just the facts.

Mr. MEEK of Florida. I want to go further. It is from the Congressional Budget Office. I mean, I just want to make sure that is clear.

Mr. RYAN of Ohio. This is the Congressional Budget Office. $128 billion surplus in 2001 due to the fiscal policies, the fiscal restraint, the fiscal discipline that the Democratic Party had at that point.

But check out when Mr. Bush and the Republican House and the Republican Senate started getting in charge here, we have a $323 billion budget deficit going into 2006, and we are borrowing the money from foreign interests.

We are borrowing the money to pay for these deficits from the Chinese, the Japanese, and the Saudi Arabians to plug this deficit hole. And we are trying, Democrats are trying, to say, why would you give $80 billion in tax cuts to the wealthiest people in the country when we are already running a $323 billion deficit in 2006, we already have borrowed $1 trillion from foreign interests in the last 4 years, more than any President has borrowed from foreign interests in the past 224 years?

Mr. MEEK of Florida. $1.05 trillion.

Mr. RYAN of Ohio. 1.05 trillion we have borrowed from foreign interests in the last 4 years.

Mr. MEEK of Florida. When you say foreign interests, who are they?

Mr. RYAN of Ohio. The Chinese Government. The Japanese Government. The House of Saud in Saudi Arabia. I mean, we are borrowing money from China. I do not even want to get into the whole manufacturing and the rise of China and the competition that we have right now.

Mr. MEEK of Florida. And the U.S. workers are training people to replace them.

Mr. RYAN of Ohio. It is a real issue. So we are borrowing money from a country that we are in direct competition with. They are taking billions and billions of dollars of investment that is coming from the United States and going into China, whether it is Delphi that has filed bankruptcy, General Motors which has significant investment in China now, Ford just announced that they are going to cut 30,000 jobs in 10 plants in the United States. And we are borrowing money from the country that they are making the investment in?

Now, China is not in a bad position right now. Check it out. I mean, they are getting investments from Delphi, General Motors, General Electric and Ford and a lot of the automakers; and at the same time they are loaning us money that we are paying them interest on.

Mr. MEEK of Florida. A piece of the American pie.

Mr. RYAN of Ohio. A big piece of the American pie. And I think we were talking the other day, it is over $300 billion a year this country pays just in interest payments on the debt.

The average American, the average Member of Congress is not paying attention to our $8 trillion debt that we have. That means $27,000 per American citizen. So if a baby is born today, I had a nephew that was born a couple of months ago, 9 weeks ago tomorrow. That young man, Nicholas John Ryan, owes $27,000 to his government, and this young man is 9 weeks old.

The gentleman from Florida (Mr. MEEK) and the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ), the gentleman from Massachusetts (Mr. DELAHUNT), they each owe $27,000 to the United States Government because of the reckless spending that we have. So, you know, we have really got to get our house in order. We need to balance the budget.

Ladies and gentlemen, Members of Congress, my friends from Florida, you just cannot do it by giving away $80 billion to the wealthiest people in the country in the form of a tax cut.

□ 1715

We also have two wars going on.

Mr. MEEK of Florida. That is what I was going to say. I think it is important we talk about this all the time. We work on this as a working group. I think it is important that the American people understand that we have a war going on, we have a war going on, that we still have people that are delusional as it relates to our commitment, our financial commitments, Mr. Speaker, to what we have to do. And I think it is important that people understand, Mr. Speaker, that if we are going to talk about the strategy in Iraq and Afghanistan, it is important that we have a serious discussion on how we are going to be fiscally responsible in making sure that we do not have more and more and more money being spent in an irresponsible way and giving it away.

Mr. RYAN of Ohio. Mr. Speaker, I yield back my time to the gentlewoman from Florida (Ms. WASSERMAN

SCHULTZ) as I have to step off the floor for a moment.

The SPEAKER pro tempore (Mr. POE). The gentleman yields back his time.

Under the Speaker's announced policy of January 4, 2005, the gentlewoman from Florida (Ms. WASSERMAN SCHULTZ) is recognized for the remainder of the minority leader's hour.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, just to piggyback on what the gentleman from Florida (Mr. MEEK) was saying, when we are talking about the costs and the impact of the decisions that the Republican leadership is making in this country, let me just highlight for a few minutes exactly what this tax cut package that passed off this floor today is really going to mean for Americans.

We have given yet another round of tax breaks to our wealthiest Americans. Now, when you hear the term ''wealthiest Americans,'' there is a lot of different ways that people might think of that. What we are talking about when we are referring to the wealthiest Americans is the top two-tenths of 1 percent of the wealthiest Americans in this country, people who are making more than a million dollars a year.

The Republican bill that we have passed off this floor today will raise taxes on more than 17 million middle class families by as much as $3,640, while millionaires would get tax cuts of as much as $32,000. These tax breaks for the wealthy few will be paid for directly through the spending cuts that we passed a couple of weeks ago in the Budget Reconciliation Act that we just adopted.

We are talking about budget cuts that impact people who need child support enforcement. We are talking about food stamps that provide school lunch funding for thousands and thousands of children across this country, both school lunch and school breakfast funding. We are talking about cuts in financial aid. We are talking about cuts to programs for senior citizens, for children, for rural families.

The Republican leadership here, Mr. Speaker, has pushed a tax bill and adopted a tax bill on this floor that will increase the deficit by $81 billion, $81 billion because when I do the math, and I spend quite a bit of time doing first grade math with my first graders at home, I see this as pretty simple math. If you have $50 billion in budget cuts and you try to call the Budget Reconciliation Act, the Budget Deficit Reduction Act, which is an obvious misnomer when you hear what I am going to describe next; and then 2 weeks later you pass a tax cut package that adds $70 billion in tax cuts, well, the difference is another $20 billion on the deficit.

I mean, that is just unbelievable that the Republican leadership here would have the nerve to call this bill from 2 weeks ago a Budget Deficit Reduction Act. And to add insult to injury, the kind of money that we are talking about, the kind of fiscal impact that we are talking about, really boils down to a direct impact on individual Americans. Every newborn that is born as I am speaking owes $27,000 that adds up to the $8 trillion deficit that we have in this country.

We have difference in terms of our views on what is considered fiscal responsibility. Obviously, there are differences of opinion when it comes to the approach that Democrats and Republicans take. But layered on top of those differences is the culture of corruption and cronyism that exists in this country and in this Congress and in this administration. Just over the last several months we have had details of that. I mean, we have layer upon layer of cronyism, of corruption and of incompetence. To me it smacks of incompetence when you continue to pass tax cuts and budget cuts and balloon the deficit bigger and bigger and bigger. I mean, we are not going in the right direction here. There should not be any delusions that we have reduced the deficit in any action we have taken in the last several weeks.

Then you add that to the fact that we had a nightmarish, disastrous response to Hurricane Katrina. The aftermath of Hurricane Katrina was clearly the result of indifference. There was an opportunity in the previous fiscal year before Katrina hit the Gulf Coast region to put the money and keep the money in the budget, to fund the levees in New Orleans and the administration took it out. They took that funding out. So where it was possible to stave off the disaster that struck New Orleans, instead the administration put tax breaks for the wealthy as a higher priority.

Let us move on to, we have covered incompetence briefly, now we can talk about cronyism. The cronyism that exists in this administration is just absolutely rampant. It runs deep. It is not occasional. It is not an anomaly. You have example after example.

Let us take Michael Brown, for example, who was formerly the director of FEMA. Not only was he absolutely unqualified for the job and had little to no emergency preparedness or disaster response training or professional experience before taking the job at FEMA and being offered the job at FEMA, what his specific qualifications were prior to becoming FEMA director was to be head of the Arabian, excuse me. Let us give credit where credit is due. He was head of a national organization. The National Arabian Horse Association.

I am not sure what type of emergencies or disasters occur with Arabian horses, but there does not seem to be much of a nexus between that type of experience and the type of experience that you need to run the largest disaster response and preparedness organization in the country.

An organization where the director is expected after a disaster to have the command of every agency at his fingertips, to be able to direct each of those agencies in a particular direction to respond as quickly as possible. Yet, not even that was possible after Katrina because, unfortunately, FEMA has been brought under the Department of Homeland Security and is no longer an independent agency directly responsible to the President with an independent secretary.

Now we have so many layers of bureaucracy in the Department of Homeland Security that by the time the FEMA director's request gets all the way up the food chain, many lives have been harmed, a lot more damage has occurred. And if there is any organization that needs to be lean and clean and responsive in this government, it is FEMA. And we have, unfortunately, hamstrung FEMA and FEMA's director to such a degree that we have seen the results after Katrina to that disaster and the disaster response.

We saw the nightmare traffic jams when the folks in Texas and the western part of the gulf coast tried to get out of their homes and community on the roads to get away from Rita potentially. And then in my home State, when Wilma hit 2 months after Katrina, one would think that after Katrina hit that maybe a couple of lessons would have been learned and we would not be repeating the same mistakes. Yet, even today we still have victims of Wilma in South Florida who are without housing, who are not even in temporary housing, who are still in shelters. That is the type of person we put in charge of an agency that has that much responsibility.

Let us look at Julie Myers as we continue on with the subject of cronyism. Julie Myers was nominated to be Assistant Secretary of the United States Immigration and Customs Enforcement Agency. The responsibilities in that job were that she would have been in charge of the second largest investigative agency in the Federal Government with over 20,000 employees, including 6,000 investigators and an annual budget of more than $4 billion.

The U.S. Immigration and Customs Enforcement, ICE, is comprised of five divisions that form a 21st century law enforcement agency. It is an agency that my office at home contacts every day to help people with their immigration problems.

Her resume includes that she is currently a special assistant handling personnel issues for President Bush. She was, of course, recently married to the chief of staff to Michael Chertoff, Secretary Chertoff of the Department of Homeland Security. She is the niece of General Richard Myers, the Chairman of the Joint Chiefs of Staff. I am not sure what qualifications she has for a job of that size and scope. Her only previous experience was that of being a special assistant handling personnel issues. I do not really see the nexus or the connection from that job to the job that she was nominated for as the head of an immigration division.

Right now, basically, even Republican Senator VOINOVICH told Ms. Myers at her nomination hearing that he would really like to have Secretary Chertoff spend some time with the committee, telling them personally why he felt Ms. Myers was qualified for the job because he said, based on your resume, I do not think you are.

Let us move on to David Safavian, if we are going to continue the examples of the culture of corruption and cronyism here. Let us continue in the cronyism theme. David Safavian was the administrator of the Office of Federal Procurement Policy in OMB. His responsibilities included being in charge of a $300 billion budget and ensuring fair competition for Federal contracts. His job also included setting the procurement policies for the Office of Management and Budget, including funding for Hurricane Katrina efforts.

Let us detail some of his experience. He is currently out on bail after being arrested and charged with obstructing the criminal investigation into indicted Republican lobbyist Jack Abramoff. He is also married to Jennifer Safavian, who is also a person who has numerous ties and connections to Republican leadership. That also includes lobbying partnerships with the likes of Grover Norquist and Jack Abramoff.

I could go on, Mr. Speaker, but that is just a smattering of examples of people who were appointed or recruited or nominated for major positions within the administration with not so major qualifications.

Now, let us talk about the culture of corruption that has existed. I can tell you that as a freshman Member of this body, and as someone who served in the Florida legislature for 12 years, I can tell you that I am not naive. We are obviously a representative body and there are going to be instances of ethical lapses. We are all human and that does occur, especially in a representative body the size of this one. But when you get to the size and scope and proportion of ethical lapses and of corrupt activity or at least people who have been accused of that corrupt activity, it becomes deeply, deeply troubling.

We have a former Member, only recently former as of last week, who admitted guilt to bribery. I mean, this is a person who was a ranking member on an appropriations subcommittee in this body, and someone who absolutely violated the trust of his constituents and the trust of the American people.

I know we have other Members in this Chamber, in this body, who have been accused of ethical wrongdoing, and there have been quite a few of those who have been accused of ethical wrongdoing in the administration as well.

The bottom line, Mr. Speaker, is that America deserves better. We can work together and give America a better government, a government that stands up for those who cannot stand up for themselves. A government who understands that we are not all of the problem and we can be part of the solution to the problems in America and to the problems in people's individual lives.

□ 1730

That is unfortunately not what it appears are the priorities that are shared by the Republican leadership in this institution or in the administration.

We have got to move this country in a new direction, Mr. Speaker. We have an agenda on the Democratic side that would do just that. I want to spend a few minutes talking about that agenda.

This is the 30-something Working Group, and in the 30-something Working Group, one of the things that we try to do is help our generation understand. What happens with our generation is that often they feel less in touch with the inner workings of government. They do not really see, for example, how Social Security reform could potentially alter their future. The 30-something Working Group comes to this floor each night and tries to help demystify a lot of the government programs that maybe our generation does not feel the impact of directly.

I want to talk about Democratic leader NANCY PELOSI's innovation agenda, which is the innovation agenda of the Democratic Party and the Democratic Caucus. She rolled that out just last week, and it is an agenda that appeals and speaks directly to our generation.

We have a challenge today in this country that in years past countries around the world would follow the United States in terms of our innovation and our future technological advances. One has only to look back to when I was 3 years old in 1969 and we put the first man on the Moon. That was something at the time that no one thought possible. I heard my parents and I heard Leader PELOSI talk about it just the other morning where it was so foreign a concept, something completely unfathomable to my parents' generation, not something that they ever thought possible; and yet when President Kennedy talked about it, I think it was accomplished in 9 years.

America was previously a country that the rest of the world looked to as innovators; and now because of the direction that this Republican leadership and the Republican administration have taken us in, the anvil of Washington has stagnated our ability to be innovators.

What we have done is we took a process and went outside of Washington. We went to the technological centers across the country and sat with CEOs and the leaders of technological companies across the country and asked them what they think. Let me just give you a few examples of the type of leadership and the differences and the changes that have occurred.

America now ranks 16th in the world in broadband penetration. That is the difference between when I was a child in 1969 and where we are today. America ranks 16th in broadband penetration, broadband subscribers per 100 inhabitants on January 1, 2005. You look at the countries, we are not at the top. Korea is at the top. Hong Kong and China are at the top. Iceland is doing better than we are in terms of broadband penetration. What happened to America leading the way on innovation? We are 16th in penetration.

We have an agenda that would change that. We have an agenda that would put broadband access in every household in 5 years. That is a goal that we absolutely should strive for. We have got to make sure that our generation raises their kids, that we raise our kids to be first, to have the attitude that it is America first. That is how it was when we were kids when President Kennedy was in office, and that is how it should be again.

Mr. RYAN of Ohio. Mr. Speaker, it was interesting talking to Leader PELOSI the other day, and some of her conversations that she had were about she and our leadership team actually went out and engaged the technology community and sought their recommendations. They were saying we need to do this in the next 2 years. Our friends on the other side do not have a plan at all. We have a plan to do it in the next 5 years, and many people in the high-tech community are saying we need it done in the next year or two years.

This is something that we cannot wait on, and I think the difference here is that we are showing very specific proposals here, very specific goals that need to be achieved in order for America to push forward in the 21st century. It does not happen with the same old rhetoric of the supply side voodoo economics. It is just not working.

Last night, you know how you get on your computer and you just start floating around, and God knows where you end up. We got out of here late, and I could not fall asleep. So I got on my computer and I was floating around, and I got into some space stuff from the space program. Then I made my way to the space speech that President Kennedy gave in Houston in the early 1960s; and I tell you what, they have the audio version which is very cool. If any American wants to think about where we should be and the kind of leadership that they deserve from us, they just need to read that speech or listen to that speech. That was about just taking things to the next level.

Ms. WASSERMAN SCHULTZ. We should put it on our Web site.

Mr. RYAN of Ohio. We should put it on our Web site, and I think we will have to do that.

It was about here is the vision, here is why and here is why it is our call at this moment in history; and I think when you talk about something like broadband, you talk about alternative energy sources, you talk about research and development, whether it is into the human mind or the human genome or whatever it may be. It is

about setting these lofty goals for our country, not to go shopping, which is the great call from this administration.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, the other place that we are lagging behind is global education standards. I was shocked to learn that the difference in the number of students who graduate with an engineering degree from nation to nation is staggering.

Here is another place, sadly, where we are no longer first. China is first. They are first by miles. They graduated 600,000 students with an engineering degree this year; 350,000 with engineering degree in India; and 70,000 in the United States.

Mr. RYAN of Ohio. A lot of ours are foreign born who will return to probably one of those two countries.

Ms. WASSERMAN SCHULTZ. There is no question, and I can tell you that if you even examine further the details of those numbers, what is even sadder is how few women and young women are graduating with those kinds of degrees. We need to make sure that we grow our scientists of the future and that we encourage our kids who are going through the universities, actually really we have to start in elementary school, to encourage them to pursue science and math pathways so that ultimately they get involved in the science fairs and enter their projects in the science fairs and work their way through so that they know they want to go to a university and get an engineering degree.

We have a plan that will take us in that direction. We have a plan that will add 100,000 new scientists, mathematicians and engineers to America's workforce in the next 4 years, and we can do that using our ability to provide scholarships and other financial assistance and work with the private sector to create opportunities for students who go to college to achieve that goal; but that is something that government has to initiate. That is not something that can completely be incubated in the private sector and occur on its own. Those things do not occur in a vacuum.

Mr. RYAN of Ohio. Think of the ripple effect. Throughout our society, from wages to new inventions, new patents, the whole 9 yards, the ripple effect throughout the community.

We have a business incubator in one of our towns, in Youngstown that is, whether it is computers or science or whatever, creating jobs in our urban centers; and you begin to put together a program where you have research, you have engineering graduates, you have business incubators, you have the arts.

One of the things that I want to add to that, when I was in China, I went for 2 weeks in August. The two things that the Chinese were saying that American engineers have that those 600,000 do not have, they really do not have the skills that we have. We are more creative and we work in teams better, and they were saying that they just cannot teach the Chinese how to do these things, no matter how hard they try. One party system, Communist system, everything is very narrow. You always look to the hierarchy. It is just very narrow thinking.

It occurred to me that the very two things, in addition to not creating enough engineers, but the very two things that give us our competitive advantage around the globe are the first two things that we usually cut in our schools, the arts programs and the team programs, the pay-to-play, where kids get boxed out. It is basketball season now for high schools, 12 varsity kids, 12 junior varsity kids and a freshman team, and that is it. No one else gets to play. We need to have an agenda that promotes teamwork, the arts, these things that create our advantage.

Ms. WASSERMAN SCHULTZ. Mr. Speaker, the things that make kids grow up into whole people. What happens now is because we are inadequately funding education, our classrooms in most of the major urban population centers and now even in some places that would not be considered so urban, the classrooms are so crowded they are bursting at the seams. They are having to use the art rooms and the band room and the music rooms for classroom space.

So as a result, electives are so reduced or the funding is cut for them. So you are graduating kids who know how to take tests. They are test takers, and those are not the kind of skills that small businesses are looking for when they are sitting across the desk after a kid has graduated from high school or even college. I can tell you, because I taught at the college level for several years both at the university and community college level, you would not believe the writing skills or lack of writing skills that someone whose whole educational career has been structured towards taking tests, what those writing skills look like.

We are not graduating whole, well-balanced kids who have critical thinking skills and the creativity that those kinds of classes and elective courses help to shape them into adults that will be able to work in groups and dream big dreams and make us the innovators and that have been the tradition of innovation that Americans have always led the way on. It is just not that way anymore, and we have got to get back in that direction.

Mr. RYAN of Ohio. We are in the process, I think everyone would agree, of creating a new economy. No one really knows what direction it is going to go in; but we know some of the fundamentals, like broadband, are a very important part of that. So why not make it accessible to everybody, just like we did with roads? That was a huge subsidy for the auto industry for years. I mean, where is the auto industry, where are the car manufacturers without roads? Where are the great railroad companies without the railroad lines?

These are the kinds of things that I think we need to do. Water lines, sewer lines were the key in the industrial age; and in the high-tech Information Age, that is the road and the bridge.

Ms. WASSERMAN SCHULTZ. That is it right there, and you cannot do those things when you are hampered every day by having to answer questions from reporters and from your constituents on your ethical lapses and on the corruption accusations and on cronyism. We all know that those things are distracting. When you have to concentrate all of your energy and effort and attention on corruption and cronyism and your incompetence, how are you going to be able to focus on innovation? How are you going to be able to focus on the future?

Mr. RYAN of Ohio. I think that has been the focus of our friends on the other side. They have been so focused on taking care of their friends in particular industries that we have gotten away from the mission here, which is to strengthen the United States of America in a $323 billion budget deficit that the Congressional Budget Office, a nonpartisan organization, is saying we are going to have. That is less money that we are able to invest in the country, and a stronger America begins right here at home.

Ms. WASSERMAN SCHULTZ. Absolutely. We are not addressing the high cost of gasoline. We have a plan that would make us energy independent within 10 years. We have got to make sure we start innovating in that direction. We have got to make sure we stop relying solely on foreign oil. We have investments that we can make in research and development so that we can expand our ability to generate alternative energy sources. We have to help small businesses. We have to make sure that small business can thrive. They cannot thrive with upwards of 15 percent increases in their health insurance costs every year. We have got to make sure we have access to health care in this country.

That is the direction the Democrats would take this country and break the gridlock that we seem to be mired in, in which every single day there is another accusation of corruption. Every single day there is another example of a person who was selected or nominated or chosen for a job in the administration who is wholly unqualified for the breadth and scope of experience that that person would need to do that job effectively. What happens? They make horrible mistakes, and that is the next day's headlines, not the headlines that we had in 1969 that America was first to land a man on the Moon.

□ 1745

Ms. WASSERMAN-SCHULTZ. We have a limited amount of time, I think we have about 5 minutes left, Mr. RYAN, but I am really excited about this innovation agenda. I just wish that we were able to bring the other side of the aisle to the table.

One of the things that has been frustrating to me as a freshman, and I have only been here 11 months now, but I came from a legislature that had its share of partisanship. But we had partisanship on 10 or 12 issues, maybe. You would have 10 or 12 issues that the two parties and the leaders of the two parties would duke it out to the end. Both sides would go to their respective corners and you knew on those issues we would not find common ground and that was that.

But on other issues, and I am talking about other issues related to health insurance and property insurance and tax relief, and not little itty bitty issues, not the small stuff but some really big things, that if everybody on both sides of the aisle, all the interested parties are willing to sit down at the table and use another C word. Because we are really big on C words, I want a good C word, not cronyism, not corruption, not a lack of competence, I want compromise. That is the C word I would like to see used here. In my 11 months here, I have not seen a whole lot of interest in compromise. It is my-way-or-the-highway type of politics here, and that is really sad.

Mr. RYAN of Ohio. And the agenda the gentlewoman has been articulating over the past 20 minutes or so I think separates us from even how our party used to be. Everybody has their crosses to bear, and I think we had been labeled many times as just a tax-and-spend party who never came up, at least in the last few years, with any really great ideas.

Most of the Democrats over here voted yesterday for the alternative minimum tax, to make sure that average people will get a tax cut and they will not be burdened. So I think we are moving away from that. And I would say most of us have voted for middle class tax relief on a variety of occasions. But what we are saying here is that this is the broadband and the engineering. And our approach to this thing, research and development, tax credits, our approach to this is a new approach that neither party has had, but we have it now.

The Democratic party is offering a new approach to this. And it is, in many ways, having broadband penetration for every single student and for every household in the next 5 years is an anti-poverty program. It is a jobs-creation program. These kids who live in poverty, we need to help them with heating oil and we do need to make sure these kids have the proper diet and the proper nutrition and all that. That is stuff that still needs to happen. But if that kid is caught in the digital divide, caught at the wrong end of the digital divide, that kid will never have an opportunity to hook up to any kind of economic growth that we may have because of this.

That is why it is so important to get it everywhere. And what we are saying is we want that kid, who is somewhere in rural America or somewhere in some inner city, to have access to this. Because with a quality education, access to the technology and the proper community support, that kid will become a wealth creator. They will be creating wealth and paying taxes, instead of asking can I get qualified for the earned income tax credit, am I going to be on Medicaid, or what do I need?

We want to propel people. And America needs to be a country of opportunity again, Debbie. It needs to be a country where people can say, I can be anything I want, I can do whatever I want because the proper infrastructure was in place when I was a kid to help propel me into a bright future.

Ms. WASSERMAN-SCHULTZ. So as we close out, Mr. Speaker, and I think Mr. RYAN is going to put the board up that shows our 30–Something Web site, I have one wish. I have a wish for the holiday season; that we shift from the C words, the negative C words that have been prevalent in the headlines and in this Chamber, that we move away from the cronyism, from the corruption, from the lack of competence. And my wish for the holiday season and the new year is that we adopt a more positive C word; come together and find some common ground and some compromise.

That seems to have been elusive, elusive mostly because it does not appear the Republican leadership has had any interest in finding common ground and compromise. So that is my wish for the holiday season.

We want to thank the Democratic leader for the time spending some time on the floor discussing our views, and I yield to my colleague to give out the Web site.

Mr. RYAN of Ohio. Yes, this is the 30 Something Working Group. Send us an e-mail at 30somethingdems@mail.house.gov. Thirty, the number, somethingdems@mail.house.gov.

CONFERENCE REPORT ON H.R. 3199, USA PATRIOT IMPROVEMENT AND REAUTHORIZATION ACT OF 2005

Mr. SENSENBRENNER (during the special order of Mr. KING of Iowa) submitted the following conference report and statement on the bill (H.R. 3199) to extend and modify authorities needed to combat terrorism, and for other purposes:

CONFERENCE REPORT (H. REPT. 109–333)

The committee of conference on the disagreeing vote of the two Houses on the amendment of the Senate to the bill (H.R. 3199), to extend and modify authorities needed to combat terrorism, 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 proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''USA PATRIOT Improvement and Reauthorization Act of 2005''.

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

Sec. 1. Short title; table of contents.

TITLE I—USA PATRIOT IMPROVEMENT AND REAUTHORIZATION ACT

Sec. 101. References to, and modification of short title for, USA PATRIOT Act.
Sec. 102. USA PATRIOT Act sunset provisions.
Sec. 103. Extension of sunset relating to individual terrorists as agents of foreign powers.
Sec. 104. Section 2332b and the material support sections of title 18, United States Code.
Sec. 105. Duration of FISA surveillance of non-United States persons under section 207 of the USA PATRIOT Act.
Sec. 106. Access to certain business records under section 215 of the USA PATRIOT Act.
Sec. 106A. Audit on access to certain business records for foreign intelligence purposes.
Sec. 107. Enhanced oversight of good-faith emergency disclosures under section 212 of the USA PATRIOT Act.
Sec. 108. Multipoint electronic surveillance under section 206 of the USA PATRIOT Act.
Sec. 109. Enhanced congressional oversight.
Sec. 110. Attacks against railroad carriers and mass transportation systems.
Sec. 111. Forfeiture.
Sec. 112. Section 2332b(g)(5)(B) amendments relating to the definition of Federal crime of terrorism.
Sec. 113. Amendments to section 2516(1) of title 18, United States Code.
Sec. 114. Delayed notice search warrants.
Sec. 115. Judicial review of national security letters.
Sec. 116. Confidentiality of national security letters.
Sec. 117. Violations of nondisclosure provisions of national security letters.
Sec. 118. Reports on national security letters.
Sec. 119. Audit of use of national security letters.
Sec. 120. Definition for forfeiture provisions under section 806 of the USA PATRIOT Act.
Sec. 121. Penal provisions regarding trafficking in contraband cigarettes or smokeless tobacco.
Sec. 122. Prohibition of narco-terrorism.
Sec. 123. Interfering with the operation of an aircraft.
Sec. 124. Sense of Congress relating to lawful political activity.
Sec. 125. Removal of civil liability barriers that discourage the donation of fire equipment to volunteer fire companies.
Sec. 126. Report on data-mining activities.
Sec. 127. Sense of Congress.
Sec. 128. USA PATRIOT Act section 214; authority for disclosure of additional information in connection with orders for pen register and trap and trace authority under FISA.

TITLE II—TERRORIST DEATH PENALTY ENHANCEMENT

Sec. 201. Short title.

Subtitle A—Terrorist penalties enhancement Act

Sec. 211. Death penalty procedures for certain air piracy cases occurring before enactment of the Federal Death Penalty Act of 1994.
Sec. 212. Postrelease supervision of terrorists.

Subtitle B—Federal Death Penalty Procedures
Sec. 221. Elimination of procedures applicable only to certain Controlled Substances Act cases.
Sec. 222. Counsel for financially unable defendants.
TITLE III—REDUCING CRIME AND TERRORISM AT AMERICA'S SEAPORTS
Sec. 301. Short title.
Sec. 302. Entry by false pretenses to any seaport.
Sec. 303. Criminal sanctions for failure to heave to, obstruction of boarding, or providing false information.
Sec. 304. Criminal sanctions for violence against maritime navigation, placement of destructive devices.
Sec. 305. Transportation of dangerous materials and terrorists.
Sec. 306. Destruction of, or interference with, vessels or maritime facilities.
Sec. 307. Theft of interstate or foreign shipments or vessels.
Sec. 308. Stowaways on vessels or aircraft.
Sec. 309. Bribery affecting port security.
Sec. 310. Penalties for smuggling goods into the United States.
Sec. 311. Smuggling goods from the United States.
TITLE IV—COMBATING TERRORISM FINANCING
Sec. 401. Short title.
Sec. 402. Increased penalties for terrorism financing.
Sec. 403. Terrorism-related specified activities for money laundering.
Sec. 404. Assets of persons committing terrorist acts against foreign countries or international organizations.
Sec. 405. Money laundering through hawalas.
Sec. 406. Technical and conforming amendments relating to the USA PATRIOT Act.
Sec. 407. Cross reference correction.
Sec. 408. Amendment to amendatory language.
Sec. 409. Designation of additional money laundering predicate.
Sec. 410. Uniform procedures for criminal forfeiture.
TITLE V—MISCELLANEOUS PROVISIONS
Sec. 501. Residence of United States attorneys and assistant United States attorneys.
Sec. 502. Interim appointment of United States Attorneys.
Sec. 503. Secretary of Homeland Security in Presidential line of succession.
Sec. 504. Bureau of Alcohol, Tobacco and Firearms to the Department of Justice.
Sec. 505. Qualifications of United States Marshals.
Sec. 506. Department of Justice intelligence matters.
Sec. 507. Review by Attorney General.
TITLE VI—SECRET SERVICE
Sec. 601. Short title.
Sec. 602. Interference with national special security events.
Sec. 603. False credentials to national special security events.
Sec. 604. Forensic and investigative support of missing and exploited children cases.
Sec. 605. The Uniformed Division, United States Secret Service.
Sec. 606. Savings provisions.
Sec. 607. Maintenance as distinct entity.
Sec. 608. Exemptions from the Federal Advisory Committee Act.
TITLE VII—COMBAT METHAMPHETAMINE EPIDEMIC ACT OF 2005
Sec. 701. Short title.
Subtitle A—Domestic regulation of precursor chemicals
Sec. 711. Scheduled listed chemical products; restrictions on sales quantity, behind-the-counter access, and other safeguards.
Sec. 712. Regulated transactions.
Sec. 713. Authority to establish production quotas.
Sec. 714. Penalties; authority for manufacturing; quota.
Sec. 715. Restrictions on importation; authority to permit imports for medical, scientific, or other legitimate purposes.
Sec. 716. Notice of importation or exportation; approval of sale or transfer by importer or exporter.
Sec. 717. Enforcement of restrictions on importation and of requirement of notice of transfer.
Sec. 718. Coordination with United States Trade Representative.
Subtitle B—International regulation of precursor chemicals
Sec. 721. Information on foreign chain of distribution; import restrictions regarding failure of distributors to cooperate.
Sec. 722. Requirements relating to the largest exporting and importing countries of certain precursor chemicals.
Sec. 723. Prevention of smuggling of methamphetamine into the United States from Mexico.
Subtitle C—Enhanced criminal penalties for methamphetamine production and trafficking
Sec. 731. Smuggling methamphetamine or methamphetamine precursor chemicals into the United States while using facilitated entry programs.
Sec. 732. Manufacturing controlled substances on Federal property.
Sec. 733. Increased punishment for methamphetamine kingpins.
Sec. 734. New child-protection criminal enhancement.
Sec. 735. Amendments to certain sentencing court reporting requirements.
Sec. 736. Semiannual reports to Congress.
Subtitle D—Enhanced environmental regulation of methamphetamine byproducts
Sec. 741. Biennial report to Congress on agency designations of by-products of methamphetamine laboratories as hazardous materials.
Sec. 742. Methamphetamine production report.
Sec. 743. Cleanup costs.
Subtitle E—Additional programs and activities
Sec. 751. Improvements to Department of Justice drug court grant program.
Sec. 752. Drug courts funding.
Sec. 753. Feasibility study on Federal drug courts.
Sec. 754. Grants to hot spot areas to reduce availability of methamphetamine.
Sec. 755. Grants for programs for drug-endangered children.
Sec. 756. Authority to award competitive grants to address methamphetamine use by pregnant and parenting women offenders.

TITLE I—USA PATRIOT IMPROVEMENT AND REAUTHORIZATION ACT

SEC. 101. REFERENCES TO, AND MODIFICATION OF SHORT TITLE FOR, USA PATRIOT ACT.

(a) REFERENCES TO USA PATRIOT ACT.—A reference in this Act to the USA PATRIOT Act shall be deemed a reference to the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001.

(b) MODIFICATION OF SHORT TITLE OF USA PATRIOT ACT.—Section 1(a) of the USA PATRIOT Act is amended to read as follows:

''(a) SHORT TITLE.—This Act may be cited as the 'Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001' or the 'USA PATRIOT Act'.''.

SEC. 102. USA PATRIOT ACT SUNSET PROVISIONS.

(a) IN GENERAL.—Section 224 of the USA PATRIOT Act is repealed.

(b) SECTIONS 206 AND 215 SUNSET.—

(1) IN GENERAL.—Effective December 31, 2009, the Foreign Intelligence Surveillance Act of 1978 is amended so that sections 501, 502, and 105(c)(2) read as they read on October 25, 2001.

(2) EXCEPTION.—With respect to any particular foreign intelligence investigation that began before the date on which the provisions referred to in paragraph (1) cease to have effect, or with respect to any particular offense or potential offense that began or occurred before the date on which such provisions cease to have effect, such provisions shall continue in effect.

SEC. 103. EXTENSION OF SUNSET RELATING TO INDIVIDUAL TERRORISTS AS AGENTS OF FOREIGN POWERS.

Section 6001(b) of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458; 118 Stat. 3742) is amended to read as follows:

''(b) SUNSET.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by subsection (a) shall cease to have effect on December 31, 2009.

''(2) EXCEPTION.—With respect to any particular foreign intelligence investigation that began before the date on which the provisions referred to in paragraph (1) cease to have effect, or with respect to any particular offense or potential offense that began or occurred before the date on which the provisions cease to have effect, such provisions shall continue in effect.''.

SEC. 104. SECTION 2332b AND THE MATERIAL SUPPORT SECTIONS OF TITLE 18, UNITED STATES CODE.

Section 6603 of the Intelligence Reform and Terrorism Prevention Act of 2004 (Public Law 108–458; 118 Stat. 3762) is amended by striking subsection (g).

SEC. 105. DURATION OF FISA SURVEILLANCE OF NON-UNITED STATES PERSONS UNDER SECTION 207 OF THE USA PATRIOT ACT.

(a) ELECTRONIC SURVEILLANCE.—Section 105(e) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(e)) is amended—

(1) in paragraph (1)(B), by striking '', as defined in section 101(b)(1)(A)'' and inserting ''who is not a United States person''; and

(2) in subsection (2)(B), by striking ''as defined in section 101(b)(1)(A)'' and inserting ''who is not a United States person''.

(b) PHYSICAL SEARCH.—Section 304(d) of such Act (50 U.S.C. 1824(d)) is amended—

(1) in paragraph (1)(B), by striking ''as defined in section 101(b)(1)(A)'' and inserting ''who is not a United States person''; and

(2) in paragraph (2), by striking ''as defined in section 101(b)(1)(A)'' and inserting ''who is not a United States person''.

(c) PEN REGISTERS, TRAP AND TRACE DEVICES.—Section 402(e) of such Act (50 U.S.C. 1842(e)) is amended—

(1) by striking ''(e) An'' and inserting ''(e)(1) Except as provided in paragraph (2), an''; and

(2) by adding at the end the following new paragraph:

''(2) In the case of an application under subsection (c) where the applicant has certified that the information likely to be obtained is foreign intelligence information not concerning a United States person, an order, or an extension of an order, under this section may be for a period not to exceed one year.''.

SEC. 106. ACCESS TO CERTAIN BUSINESS RECORDS UNDER SECTION 215 OF THE USA PATRIOT ACT.

(a) DIRECTOR APPROVAL FOR CERTAIN APPLICATIONS.—Subsection (a) of section 501 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1861(a)) is amended—

(1) in paragraph (1), by striking ''The Director'' and inserting ''Subject to paragraph (3), the Director''; and

(2) by adding at the end the following:

''(3) In the case of an application for an order requiring the production of library circulation records, library patron lists, book sales records, book customer lists, firearms sales records, tax return records, educational records, or medical records containing information that would identify a person, the Director of the Federal Bureau of Investigation may delegate the authority to make such application to either the Deputy Director of the Federal Bureau of Investigation or the Executive Assistant Director for National Security (or any successor position). The Deputy Director or the Executive Assistant Director may not further delegate such authority.''.

(b) FACTUAL BASIS FOR REQUESTED ORDER.—Subsection (b)(2) of such section is amended to read as follows:

''(2) shall include—

''(A) a statement of facts showing that there are reasonable grounds to believe that the tangible things sought are relevant to an authorized investigation (other than a threat assessment) conducted in accordance with subsection (a)(2) to obtain foreign intelligence information not concerning a United States person or to protect against international terrorism or clandestine intelligence activities, such things being presumptively relevant to an authorized investigation if the applicant shows in the statement of the facts that they pertain to—

''(i) a foreign power or an agent of a foreign power;

''(ii) the activities of a suspected agent of a foreign power who is the subject of such authorized investigation; or

''(iii) an individual in contact with, or known to, a suspected agent of a foreign power who is the subject of such authorized investigation; and

''(B) an enumeration of the minimization procedures adopted by the Attorney General under subsection (g) that are applicable to the retention and dissemination by the Federal Bureau of Investigation of any tangible things to be made available to the Federal Bureau of Investigation based on the order requested in such application.''.

(c) CLARIFICATION OF JUDICIAL DISCRETION.—Subsection (c)(1) of such section is amended to read as follows:

''(c)(1) Upon an application made pursuant to this section, if the judge finds that the application meets the requirements of subsections (a) and (b), the judge shall enter an ex parte order as requested, or as modified, approving the release of tangible things. Such order shall direct that minimization procedures adopted pursuant to subsection (g) be followed.''.

(d) ADDITIONAL PROTECTIONS.—Subsection (c)(2) of such section is amended to read as follows:

''(2) An order under this subsection—

''(A) shall describe the tangible things that are ordered to be produced with sufficient particularity to permit them to be fairly identified;

''(B) shall include the date on which the tangible things must be provided, which shall allow a reasonable period of time within which the tangible things can be assembled and made available;

''(C) shall provide clear and conspicuous notice of the principles and procedures described in subsection (d);

''(D) may only require the production of a tangible thing if such thing can be obtained with a subpoena duces tecum issued by a court of the United States in aid of a grand jury investigation or with any other order issued by a court of the United States directing the production of records or tangible things; and

''(E) shall not disclose that such order is issued for purposes of an investigation described in subsection (a).''.

(e) PROHIBITION ON DISCLOSURE.—Subsection (d) of such section is amended to read as follows:

''(d)(1) No person shall disclose to any other person that the Federal Bureau of Investigation has sought or obtained tangible things pursuant to an order under this section, other than to—

''(A) those persons to whom disclosure is necessary to comply with such order;

''(B) an attorney to obtain legal advice or assistance with respect to the production of things in response to the order; or

''(C) other persons as permitted by the Director of the Federal Bureau of Investigation or the designee of the Director.

''(2)(A) A person to whom disclosure is made pursuant to paragraph (1) shall be subject to the nondisclosure requirements applicable to a person to whom an order is directed under this section in the same manner as such person.

''(B) Any person who discloses to a person described in subparagraphs (A), (B), or (C) of paragraph (1) that the Federal Bureau of Investigation has sought or obtained tangible things pursuant to an order under this section shall notify such person of the nondisclosure requirements of this subsection.

''(C) At the request of the Director of the Federal Bureau of Investigation or the designee of the Director, any person making or intending to make a disclosure under this section shall identify to the Director or such designee the person to whom such disclosure will be made or to whom such disclosure was made prior to the request, but in no circumstance shall a person be required to inform the Director or such designee that the person intends to consult an attorney to obtain legal advice or legal assistance.''.

(f) JUDICIAL REVIEW.—

(1) PETITION REVIEW POOL.—Section 103 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803) is amended by adding at the end the following new subsection:

''(e)(1) Three judges designated under subsection (a) who reside within 20 miles of the District of Columbia, or, if all of such judges are unavailable, other judges of the court established under subsection (a) as may be designated by the presiding judge of such court, shall comprise a petition review pool which shall have jurisdiction to review petitions filed pursuant to section 501(f)(1).

''(2) Not later than 60 days after the date of the enactment of the USA PATRIOT Improvement and Reauthorization Act of 2005, the court established under subsection (a) shall adopt and, consistent with the protection of national security, publish procedures for the review of petitions filed pursuant to section 501(f)(1) by the panel established under paragraph (1). Such procedures shall provide that review of a petition shall be conducted in camera and shall also provide for the designation of an acting presiding judge.''.

(2) PROCEEDINGS.—Section 501 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1861) is further amended by adding at the end the following new subsection:

''(f)(1) A person receiving an order to produce any tangible thing under this section may challenge the legality of that order by filing a petition with the pool established by section 103(e)(1). The presiding judge shall immediately assign the petition to one of the judges serving in such pool. Not later than 72 hours after the assignment of such petition, the assigned judge shall conduct an initial review of the petition. If the assigned judge determines that the petition is frivolous, the assigned judge shall immediately deny the petition and affirm the order. If the assigned judge determines the petition is not frivolous, the assigned judge shall promptly consider the petition in accordance with the procedures established pursuant to section 103(e)(2). The judge considering the petition may modify or set aside the order only if the judge finds that the order does not meet the requirements of this section or is otherwise unlawful. If the judge does not modify or set aside the order, the judge shall immediately affirm the order and order the recipient to comply therewith. The assigned judge shall promptly provide a written statement for the record of the reasons for any determination under this paragraph.

''(2) A petition for review of a decision to affirm, modify, or set aside an order by the United States or any person receiving such order shall be to the court of review established under section 103(b), which shall have jurisdiction to consider such petitions. The court of review shall provide for the record a written statement of the reasons for its decision and, on petition of the United States or any person receiving such order for writ of certiorari, the record shall be transmitted under seal to the Supreme Court, which shall have jurisdiction to review such decision.

''(3) Judicial proceedings under this subsection shall be concluded as expeditiously as possible. The record of proceedings, including petitions filed, orders granted, and statements of reasons for decision, shall be maintained under security measures established by the Chief Justice of the United States in consultation with the Attorney General and the Director of National Intelligence.

''(4) All petitions under this subsection shall be filed under seal. In any proceedings under this subsection, the court shall, upon request of the government, review ex parte and in camera any government submission, or portions thereof, which may include classified information.''.

(g) MINIMIZATION PROCEDURES AND USE OF INFORMATION.—Section 501 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1861) is further amended by adding at the end the following new subsections:

''(g) MINIMIZATION PROCEDURES.—

''(1) IN GENERAL.—Not later than 180 days after the date of the enactment of the USA PATRIOT Improvement and Reauthorization Act of 2005, the Attorney General shall adopt specific minimization procedures governing the retention and dissemination by the Federal Bureau of Investigation of any tangible things, or information therein, received by the Federal Bureau of Investigation in response to an order under this title.

''(2) DEFINED.—In this section, the term 'minimization procedures' means—

''(A) specific procedures that are reasonably designed in light of the purpose and technique of an order for the production of tangible things, to minimize the retention, and prohibit the dissemination, of nonpublicly available information concerning unconsenting United States persons consistent with the need of the United States to obtain, produce, and disseminate foreign intelligence information;

''(B) procedures that require that nonpublicly available information, which is not foreign intelligence information, as defined in section 101(e)(1), shall not be disseminated in a manner that identifies any United States person, without such person's consent, unless such person's identity is necessary to understand foreign intelligence information or assess its importance; and

''(C) notwithstanding subparagraphs (A) and (B), procedures that allow for the retention and dissemination of information that is evidence of a crime which has been, is being, or is about to be committed and that is to be retained or disseminated for law enforcement purposes.

''(h) USE OF INFORMATION.—Information acquired from tangible things received by the Federal Bureau of Investigation in response to an order under this title concerning any United States person may be used and disclosed by Federal officers and employees without the consent of the United States person only in accordance with the minimization procedures adopted pursuant to subsection (g). No otherwise privileged information acquired from tangible things received by the Federal Bureau of Investigation in accordance with the provisions of this title shall lose its privileged character. No information acquired from tangible things received by the Federal Bureau of Investigation in response to an order under this title may be used or disclosed by Federal officers or employees except for lawful purposes.''.

(h) ENHANCED OVERSIGHT.—Section 502 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1862) is amended—

(1) in subsection (a)—

(A) by striking ''semiannual basis'' and inserting ''annual basis''; and

(B) by inserting ''and the Committee on the Judiciary'' after ''and the Select Committee on Intelligence'';

(2) in subsection (b)—

(A) by striking ''On a semiannual basis'' and all that follows through ''the preceding 6-month period'' and inserting ''In April of each year, the Attorney General shall submit to the House and Senate Committees on the Judiciary and the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence a report setting forth with respect to the preceding calendar year'';

(B) in paragraph (1), by striking ''and'' at the end;

(C) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following new paragraph:

''(3) the number of such orders either granted, modified, or denied for the production of each of the following:

''(A) Library circulation records, library patron lists, book sales records, or book customer lists.

''(B) Firearms sales records.

''(C) Tax return records.

''(D) Educational records.

''(E) Medical records containing information that would identify a person.''; and

(3) by adding at the end the following new subsection:

''(c)(1) In April of each year, the Attorney General shall submit to Congress a report setting forth with respect to the preceding year—

''(A) the total number of applications made for orders approving requests for the production of tangible things under section 501; and

''(B) the total number of such orders either granted, modified, or denied.

''(2) Each report under this subsection shall be submitted in unclassified form.''.

SECTION 106A. AUDIT ON ACCESS TO CERTAIN BUSINESS RECORDS FOR FOREIGN INTELLIGENCE PURPOSES.

(a) AUDIT.—The Inspector General of the Department of Justice shall perform a comprehensive audit of the effectiveness and use, including any improper or illegal use, of the investigative authority provided to the Federal Bureau of Investigation under title V of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1861 et seq.).

(b) REQUIREMENTS.—The audit required under subsection (a) shall include—

(1) an examination of each instance in which the Attorney General, any other officer, employee, or agent of the Department of Justice, the Director of the Federal Bureau of Investigation, or a designee of the Director, submitted an application to the Foreign Intelligence Surveillance Court (as such term is defined in section 301(3) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1821(3))) for an order under section 501 of such Act during the calendar years of 2002 through 2006, including—

(A) whether the Federal Bureau of Investigation requested that the Department of Justice submit an application and the request was not submitted to the court (including an examination of the basis for not submitting the application);

(B) whether the court granted, modified, or denied the application (including an examination of the basis for any modification or denial);

(2) the justification for the failure of the Attorney General to issue implementing procedures governing requests for the production of tangible things under such section in a timely fashion, including whether such delay harmed national security;

(3) whether bureaucratic or procedural impediments to the use of such requests for production prevent the Federal Bureau of Investigation from taking full advantage of the authorities provided under section 501 of such Act;

(4) any noteworthy facts or circumstances relating to orders under such section, including any improper or illegal use of the authority provided under such section; and

(5) an examination of the effectiveness of such section as an investigative tool, including—

(A) the categories of records obtained and the importance of the information acquired to the intelligence activities of the Federal Bureau of Investigation or any other Department or agency of the Federal Government;

(B) the manner in which such information is collected, retained, analyzed, and disseminated by the Federal Bureau of Investigation, including any direct access to such information (such as access to ''raw data'') provided to any other Department, agency, or instrumentality of Federal, State, local, or tribal governments or any private sector entity;

(C) with respect to calendar year 2006, an examination of the minimization procedures adopted by the Attorney General under section 501(g) of such Act and whether such minimization procedures protect the constitutional rights of United States persons;

(D) whether, and how often, the Federal Bureau of Investigation utilized information acquired pursuant to an order under section 501 of such Act to produce an analytical intelligence product for distribution within the Federal Bureau of Investigation, to the intelligence community (as such term is defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))), or to other Federal, State, local, or tribal government Departments, agencies, or instrumentalities; and

(E) whether, and how often, the Federal Bureau of Investigation provided such information to law enforcement authorities for use in criminal proceedings.

(c) SUBMISSION DATES.—

(1) PRIOR YEARS.—Not later than one year after the date of the enactment of this Act, or upon completion of the audit under this section for calendar years 2002, 2003, and 2004, whichever is earlier, the Inspector General of the Department of Justice shall submit to the Committee on the Judiciary and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary and the Select Committee on Intelligence of the Senate a report containing the results of the audit conducted under this section for calendar years 2002, 2003, and 2004.

(2) CALENDAR YEARS 2005 AND 2006.—Not later than December 31, 2007, or upon completion of the audit under this section for calendar years 2005 and 2006, whichever is earlier, the Inspector General of the Department of Justice shall submit to the Committee on the Judiciary and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary and the Select Committee on Intelligence of the Senate a report containing the results of the audit conducted under this section for calendar years 2005 and 2006.

(d) PRIOR NOTICE TO ATTORNEY GENERAL AND DIRECTOR OF NATIONAL INTELLIGENCE; COMMENTS.—

(1) NOTICE.—Not less than 30 days before the submission of a report under subsections (c)(1) or (c)(2), the Inspector General of the Department of Justice shall provide such report to the Attorney General and the Director of National Intelligence.

(2) COMMENTS.—The Attorney General or the Director of National Intelligence may provide comments to be included in the reports submitted under subsections (c)(1) and (c)(2) as the Attorney General or the Director of National Intelligence may consider necessary.

(e) UNCLASSIFIED FORM.—The reports submitted under subsection (c)(1) and (c)(2) and any comments included under subsection (d)(2) shall be in unclassified form, but may include a classified annex.

SEC. 107. ENHANCED OVERSIGHT OF GOOD-FAITH EMERGENCY DISCLOSURES UNDER SECTION 212 OF THE USA PATRIOT ACT.

(a) ENHANCED OVERSIGHT.—Section 2702 of title 18, United States Code, is amended by adding at the end the following:

''(d) REPORTING OF EMERGENCY DISCLOSURES.—On an annual basis, the Attorney General shall submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a report containing—

''(1) the number of accounts from which the Department of Justice has received voluntary disclosures under subsection (b)(8); and

''(2) a summary of the basis for disclosure in those instances where—

''(A) voluntary disclosures under subsection (b)(8) were made to the Department of Justice; and

''(B) the investigation pertaining to those disclosures was closed without the filing of criminal charges.''.

(b) TECHNICAL AMENDMENTS TO CONFORM COMMUNICATIONS AND CUSTOMER RECORDS EXCEPTIONS.—

(1) VOLUNTARY DISCLOSURES.—Section 2702 of title 18, United States Code, is amended—

(A) in subsection (b)(8), by striking ''Federal, State, or local''; and

(B) by striking paragraph (4) of subsection (c) and inserting the following:

''(4) to a governmental entity, if the provider, in good faith, believes that an emergency involving danger of death or serious physical injury to any person requires disclosure without delay of information relating to the emergency;''.

(2) DEFINITIONS.—Section 2711 of title 18, United States Code, is amended—

(A) in paragraph (2), by striking ''and'' at the end;

(B) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(4) the term 'governmental entity' means a department or agency of the United States or any State or political subdivision thereof.''.

(c) ADDITIONAL EXCEPTION.—Section 2702(a) of title 18, United States Code, is amended by inserting ''or (c)'' after ''Except as provided in subsection (b)''.

SEC. 108. MULTIPOINT ELECTRONIC SURVEILLANCE UNDER SECTION 206 OF THE USA PATRIOT ACT.

(a) INCLUSION OF SPECIFIC FACTS IN APPLICATION.—

(1) APPLICATION.—Section 104(a)(3) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1804(a)(3)) is amended by inserting ''specific'' after ''description of the''.

(2) ORDER.—Subsection (c) of section 105 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1805(c)) is amended—

(A) in paragraph (1)(A) by striking ''target of the electronic surveillance'' and inserting ''specific target of the electronic surveillance identified or described in the application pursuant to section 104(a)(3)''; and

(B) in paragraph (2)(B), by striking ''where the Court finds'' and inserting ''where the Court finds, based upon specific facts provided in the application,''.

(b) ADDITIONAL DIRECTIONS.—Such subsection is further amended—

(1) by striking ''An order approving'' and all that follows through ''specify'' and inserting ''(1) SPECIFICATIONS.—An order approving an electronic surveillance under this section shall specify'';

(2) in paragraph (1)(F), by striking ''; and'' and inserting a period;

(3) in paragraph (2), by striking ''direct'' and inserting ''DIRECTIONS.—An order approving an electronic surveillance under this section shall direct''; and

(4) by adding at the end the following new paragraph:

''(3) SPECIAL DIRECTIONS FOR CERTAIN ORDERS.—An order approving an electronic surveillance under this section in circumstances where the nature and location of each of the facilities or places at which the surveillance will be directed is unknown shall direct the applicant to provide notice to the court within ten days after the date on which surveillance begins to be directed at any new facility or place, unless the court finds good cause to justify a longer period of up to 60 days, of—

''(A) the nature and location of each new facility or place at which the electronic surveillance is directed;

''(B) the facts and circumstances relied upon by the applicant to justify the applicant's belief that each new facility or place at which the electronic surveillance is directed is or was being used, or is about to be used, by the target of the surveillance;

''(C) a statement of any proposed minimization procedures that differ from those contained in the original application or order, that may be necessitated by a change in the facility or place at which the electronic surveillance is directed; and

''(D) the total number of electronic surveillances that have been or are being conducted under the authority of the order.''.

(c) ENHANCED OVERSIGHT.—

(1) REPORT TO CONGRESS.—Section 108(a)(1) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1808(a)(1)) is amended by inserting '', and the Committee on the Judiciary of the Senate,'' after ''Senate Select Committee on Intelligence''.

(2) MODIFICATION OF SEMIANNUAL REPORT REQUIREMENT ON ACTIVITIES UNDER FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.—Paragraph (2) of section 108(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1808(a)) is amended to read as follows:

''(2) Each report under the first sentence of paragraph (1) shall include a description of—

''(A) the total number of applications made for orders and extensions of orders approving electronic surveillance under this title where the nature and location of each facility or place at which the electronic surveillance will be directed is unknown;

''(B) each criminal case in which information acquired under this Act has been authorized for use at trial during the period covered by such report; and

''(C) the total number of emergency employments of electronic surveillance under section 105(f) and the total number of subsequent orders approving or denying such electronic surveillance.''.

SEC. 109. ENHANCED CONGRESSIONAL OVERSIGHT.

(a) EMERGENCY PHYSICAL SEARCHES.—Section 306 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1826) is amended—

(1) in the first sentence, by inserting ,'' and the Committee on the Judiciary of the Senate,'' after ''the Senate'';

(2) in the second sentence, by striking ''and the Committees on the Judiciary of the House of Representatives and the Senate'' and inserting ''and the Committee on the Judiciary of the House of Representatives'';

(3) in paragraph (2), by striking ''and'' at the end;

(4) in paragraph (3), by striking the period at the end and inserting ''; and''; and

(5) by adding at the end the following:

''(4) the total number of emergency physical searches authorized by the Attorney General under section 304(e) and the total number of subsequent orders approving or denying such physical searches.''.

(b) EMERGENCY PEN REGISTERS AND TRAP AND TRACE DEVICES.—Section 406(b) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1846(b)) is amended—

(1) in paragraph (1), by striking ''and'' at the end;

(2) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(3) the total number of pen registers and trap and trace devices whose installation and use was authorized by the Attorney General on an emergency basis under section 403, and the total number of subsequent orders approving or denying the installation and use of such pen registers and trap and trace devices.''.

(c) ADDITIONAL REPORT.—At the beginning and midpoint of each fiscal year, the Secretary of Homeland Security shall submit to the Committees on the Judiciary of the House of Representatives and the Senate, a written report providing a description of internal affairs operations at U.S. Citizenship and Immigration Services, including the general state of such operations and a detailed description of investigations that are being conducted (or that were conducted during the previous six months) and the resources devoted to such investigations. The first such report shall be submitted not later than April 1, 2006.

(d) RULES AND PROCEDURES FOR FISA COURTS.—Section 103 of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1803) is amended by adding at the end the following:

''(f)(1) The courts established pursuant to subsections (a) and (b) may establish such rules and procedures, and take such actions, as are reasonably necessary to administer their responsibilities under this Act.

''(2) The rules and procedures established under paragraph (1), and any modifications of such rules and procedures, shall be recorded, and shall be transmitted to the following:

''(A) All of the judges on the court established pursuant to subsection (a).

''(B) All of the judges on the court of review established pursuant to subsection (b).

''(C) The Chief Justice of the United States.

''(D) The Committee on the Judiciary of the Senate.

''(E) The Select Committee on Intelligence of the Senate.

''(F) The Committee on the Judiciary of the House of Representatives.

''(G) The Permanent Select Committee on Intelligence of the House of Representatives.

''(3) The transmissions required by paragraph (2) shall be submitted in unclassified form, but may include a classified annex.''.

SEC. 110. ATTACKS AGAINST RAILROAD CARRIERS AND MASS TRANSPORTATION SYSTEMS.

(a) IN GENERAL.—Chapter 97 of title 18, United States Code, is amended by striking sections 1992 through 1993 and inserting the following:

''§ 1992. Terrorist attacks and other violence against railroad carriers and against mass transportation systems on land, on water, or through the air

''(a) GENERAL PROHIBITIONS.—Whoever, in a circumstance described in subsection (c), knowingly and without lawful authority or permission—

''(1) wrecks, derails, sets fire to, or disables railroad on-track equipment or a mass transportation vehicle;

''(2) places any biological agent or toxin, destructive substance, or destructive device in, upon, or near railroad on-track equipment or a mass transportation vehicle with intent to endanger the safety of any person, or with a reckless disregard for the safety of human life;

''(3) places or releases a hazardous material or a biological agent or toxin on or near any property described in subparagraph (A) or (B) of paragraph (4), with intent to endanger the safety of any person, or with reckless disregard for the safety of human life;

''(4) sets fire to, undermines, makes unworkable, unusable, or hazardous to work on or use, or places any biological agent or toxin, destructive substance, or destructive device in, upon, or near any—

''(A) tunnel, bridge, viaduct, trestle, track, electromagnetic guideway, signal, station, depot, warehouse, terminal, or any other way, structure, property, or appurtenance used in the operation of, or in support of the operation of, a railroad carrier, and with intent to, or knowing or having reason to know, such activity would likely, derail, disable, or wreck railroad on-track equipment; or

''(B) garage, terminal, structure, track, electromagnetic guideway, supply, or facility used in the operation of, or in support of the operation of, a mass transportation vehicle, and with intent to, or knowing or having reason to know, such activity would likely, derail, disable, or wreck a mass transportation vehicle used, operated, or employed by a mass transportation provider;

''(5) removes an appurtenance from, damages, or otherwise impairs the operation of a railroad signal system or mass transportation signal or dispatching system, including a train control system, centralized dispatching system, or highway-railroad grade crossing warning signal;

''(6) with intent to endanger the safety of any person, or with a reckless disregard for the safety of human life, interferes with, disables, or incapacitates any dispatcher, driver, captain, locomotive engineer, railroad conductor, or other person while the person is employed in dispatching, operating, controlling, or maintaining railroad on-track equipment or a mass transportation vehicle;

''(7) commits an act, including the use of a dangerous weapon, with the intent to cause death or serious bodily injury to any person who is on property described in subparagraph (A) or (B) of paragraph (4);

''(8) surveils, photographs, videotapes, diagrams, or otherwise collects information with the intent to plan or assist in planning any of the acts described in the paragraphs (1) through (6);

''(9) conveys false information, knowing the information to be false, concerning an attempt or alleged attempt to engage in a violation of this subsection; or

''(10) attempts, threatens, or conspires to engage in any violation of any of paragraphs (1) through (9),

shall be fined under this title or imprisoned not more than 20 years, or both, and if the offense results in the death of any person, shall be imprisoned for any term of years or for life, or subject to death, except in the case of a violation of paragraphs (8), (9), or (10).

''(b) AGGRAVATED OFFENSE.—Whoever commits an offense under subsection (a) of this section in a circumstance in which—

''(1) the railroad on-track equipment or mass transportation vehicle was carrying a passenger or employee at the time of the offense,

''(2) the railroad on-track equipment or mass transportation vehicle was carrying high-level radioactive waste or spent nuclear fuel at the time of the offense, or

''(3) the offense was committed with the intent to endanger the safety of any person, or with a reckless disregard for the safety of any person, and the railroad on-track equipment or mass transportation vehicle was carrying a hazardous material at the time of the offense that—

''(A) was required to be placarded under subpart F of part 172 of title 49, Code of Federal Regulations, and

''(B) is identified as class number 3, 4, 5, 6.1, or 8 and packing group I or packing group II, or class number 1, 2, or 7 under the hazardous materials table of section 172.101 of title 49, Code of Federal Regulations,

shall be fined under this title or imprisoned for any term of years or life, or both, and if the offense resulted in the death of any person, the person may be sentenced to death.

''(c) CIRCUMSTANCES REQUIRED FOR OFFENSE.—A circumstance referred to in subsection (a) is any of the following:

''(1) Any of the conduct required for the offense is, or, in the case of an attempt, threat, or conspiracy to engage in conduct, the conduct required for the completed offense would be, engaged in, on, against, or affecting a mass transportation provider, or a railroad carrier engaged in interstate or foreign commerce.

''(2) Any person travels or communicates across a State line in order to commit the offense, or transports materials across a State line in aid of the commission of the offense.

''(d) DEFINITIONS.—In this section—

''(1) the term 'biological agent' has the meaning given to that term in section 178(1);

''(2) the term 'dangerous weapon' means a weapon, device, instrument, material, or substance, animate or inanimate, that is used for, or is readily capable of, causing death or serious bodily injury, including a pocket knife with a blade of less than 2½ inches in length and a box cutter;

''(3) the term 'destructive device' has the meaning given to that term in section 921(a)(4);

''(4) the term 'destructive substance' means an explosive substance, flammable material, infernal machine, or other chemical, mechanical, or radioactive device or material, or matter of a combustible, contaminative, corrosive, or explosive nature, except that the term 'radioactive device' does not include any radioactive device or material used solely for medical, industrial, research, or other peaceful purposes;

''(5) the term 'hazardous material' has the meaning given to that term in chapter 51 of title 49;

''(6) the term 'high-level radioactive waste' has the meaning given to that term in section 2(12) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101(12));

''(7) the term 'mass transportation' has the meaning given to that term in section 5302(a)(7) of title 49, except that the term includes school bus, charter, and sightseeing transportation and passenger vessel as that term is defined in section 2101(22) of title 46, United States Code;

''(8) the term 'on-track equipment' means a carriage or other contrivance that runs on rails or electromagnetic guideways;

''(9) the term 'railroad on-track equipment' means a train, locomotive, tender, motor unit, freight or passenger car, or other on-track equipment used, operated, or employed by a railroad carrier;

''(10) the term 'railroad' has the meaning given to that term in chapter 201 of title 49;

''(11) the term 'railroad carrier' has the meaning given to that term in chapter 201 of title 49;

''(12) the term 'serious bodily injury' has the meaning given to that term in section 1365;

''(13) the term 'spent nuclear fuel' has the meaning given to that term in section 2(23) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101(23));

''(14) the term 'State' has the meaning given to that term in section 2266;

''(15) the term 'toxin' has the meaning given to that term in section 178(2); and

''(16) the term 'vehicle' means any carriage or other contrivance used, or capable of being used, as a means of transportation on land, on water, or through the air.''.

(b) CONFORMING AMENDMENTS.—

(1) The table of sections at the beginning of chapter 97 of title 18, United States Code, is amended—

(A) by striking ''**RAILROADS**'' in the chapter heading and inserting ''**RAILROAD CARRIERS AND MASS TRANSPORTATION SYSTEMS ON LAND, ON WATER, OR THROUGH THE AIR**'';

(B) by striking the items relating to sections 1992 and 1993; and

(C) by inserting after the item relating to section 1991 the following:

''1992. Terrorist attacks and other violence against railroad carriers and against mass transportation systems on land, on water, or through the air.''.

(2) The table of chapters at the beginning of part I of title 18, United States Code, is amended by striking the item relating to chapter 97 and inserting the following:

''97. Railroad carriers and mass transportation systems on land, on water, or through the air ..... 1991''.

(3) Title 18, United States Code, is amended—

(A) in section 2332b(g)(5)(B)(i), by striking ''1992 (relating to wrecking trains), 1993 (relating to terrorist attacks and other acts of violence against mass transportation systems),'' and inserting ''1992 (relating to terrorist attacks and other acts of violence against railroad carriers and against mass transportation systems on land, on water, or through the air),'';

(B) in section 2339A, by striking ''1993,''; and

(C) in section 2516(1)(c) by striking ''1992 (relating to wrecking trains),''.

SEC. 111. FORFEITURE.

Section 981(a)(1)(B)(i) of title 18, United States Code, is amended by inserting ''trafficking in nuclear, chemical, biological, or radiological weapons technology or material, or'' after ''involves''.

SEC. 112. SECTION 2332b(g)(5)(B) AMENDMENTS RELATING TO THE DEFINITION OF FEDERAL CRIME OF TERRORISM.

(a) ADDITIONAL OFFENSES.—Section 2332b(g)(5)(B) of title 18, United States Code, is amended—

(1) in clause (i), by inserting '', 2339D (relating to military-type training from a foreign terrorist organization)'' before '', or 2340A'';

(2) in clause (ii), by striking ''or'' after the semicolon;

(3) in clause (iii), by striking the period and inserting ''; or''

(4) by inserting after clause (iii) the following:

''(iv) section 1010A of the Controlled Substances Import and Export Act (relating to narco-terrorism).''.

(b) CLERICAL CORRECTION.—Section 2332b(g)(5)(B) of title 18, United States Code, is amended by inserting ')'' after ''2339C (relating to financing of terrorism''.

SEC. 113. AMENDMENTS TO SECTION 2516(1) OF TITLE 18, UNITED STATES CODE.

(a) PARAGRAPH (a) AMENDMENT.—Section 2516(1)(a) of title 18, United States Code, is amended by inserting ''chapter 10 (relating to biological weapons)'' after ''under the following chapters of this title:''.

(b) PARAGRAPH (c) AMENDMENT.—Section 2516(1)(c) of title 18, United States Code, is amended—

(1) by inserting ''section 37 (relating to violence at international airports), section 43 (relating to animal enterprise terrorism),'' after ''the following sections of this title:'';

(2) by inserting ''section 832 (relating to nuclear and weapons of mass destruction threats), section 842 (relating to explosive materials), section 930 (relating to possession of weapons in Federal facilities),'' after ''section 751 (relating to escape),'';

(3) by inserting ''section 1114 (relating to officers and employees of the United States), section 1116 (relating to protection of foreign officials),'' after ''section 1014 (relating to loans and credit applications generally; renewals and discounts),'';

(4) by inserting ''section 1992 (relating to terrorist attacks against mass transportation),'' after ''section 1344 (relating to bank fraud),'';

(5) by inserting ''section 2340A (relating to torture),'' after ''section 2321 (relating to trafficking in certain motor vehicles or motor vehicle parts),'';

(6) by inserting ''section 81 (arson within special maritime and territorial jurisdiction),'' before ''section 201 (bribery of public officials and witnesses)''; and

(7) by inserting ''section 956 (conspiracy to harm persons or property overseas),'' after ''section 175c (relating to variola virus)''.

(c) PARAGRAPH (g) AMENDMENT.—Section 2516(1)(g) of title 18, United States Code, is amended by inserting before the semicolon '', or section 5324 of title 31, United States Code (relating to structuring transactions to evade reporting requirement prohibited)'' .

(d) PARAGRAPH (j) AMENDMENT.—Section 2516(1)(j) of title 18, United States Code, is amended—

(1) by striking ''or'' before ''section 46502 (relating to aircraft piracy)'' and inserting a comma after ''section 60123(b) (relating to the destruction of a natural gas pipeline''; and

(2) by inserting '', the second sentence of section 46504 (relating to assault on a flight crew with dangerous weapon), or section 46505(b)(3) or (c) (relating to explosive or incendiary devices, or endangerment of human life, by means of weapons on aircraft)'' before of ''title 49''.

(e) PARAGRAPH (p) AMENDMENT.—Section 2516(1)(p) of title 18, United States Code, is amended by inserting '', section 1028A (relating to aggravated identity theft)'' after ''other documents''.

(f) PARAGRAPH (q) AMENDMENT.—Section 2516(1)(q) of title 18, United States Code, is amended—

(1) by inserting ''2339'' after ''2232h'';

(2) by striking ''or'' before ''2339C''; and

(3) by inserting '', or 2339D'' after ''2339C''.

(g) AMENDMENT OF PREDICATE CRIMES FOR AUTHORIZATION FOR INTERCEPTION OF WIRE, ORAL, AND ELECTRONIC COMMUNICATIONS.—Section 2516(1) of title 18, United State Code, is amended—

(1) in subparagraph (q), by striking ''or'' after the semicolon;

(2) by redesignating subparagraph (r) as subparagraph (s); and

(3) by adding after subparagraph (q) the following:

''(r) any criminal violation of section 1 (relating to illegal restraints of trade or commerce), 2 (relating to illegal monopolizing of trade or commerce), or 3 (relating to illegal restraints of trade or commerce in territories or the District of Columbia) of the Sherman Act (15 U.S.C. 1, 2, 3); or''.

SEC. 114. DELAYED NOTICE SEARCH WARRANTS.

(a) LIMITATION ON REASONABLE PERIOD FOR DELAY.—Section 3103a of title 18, United States Code, is amended—

(1) by striking subsection (b)(3) and inserting the following:

''(3) the warrant provides for the giving of such notice within a reasonable period not to exceed 30 days after the date of its execution, or on a later date certain if the facts of the case justify a longer period of delay. ''.

(2) by adding at the end the following:

''(c) EXTENSIONS OF DELAY.—Any period of delay authorized by this section may be extended by the court for good cause shown, subject to the condition that extensions should only be granted upon an updated showing of the need for further delay and that each additional delay should be limited to periods of 90 days or less, unless the facts of the case justify a longer period of delay.''.

(b) LIMITATION ON AUTHORITY TO DELAY NOTICE .—Section 3103a(b)(1) of title 18, United States Code, is amended by inserting '', except if the adverse results consist only of unduly delaying a trial'' after ''2705''.

(c) ENHANCED OVERSIGHT.—Section 3103a of title 18, United States Code, is further amended by adding at the end the following:

''(d) REPORTS.—

''(1) REPORT BY JUDGE.—Not later than 30 days after the expiration of a warrant authorizing delayed notice (including any extension thereof) entered under this section, or the denial of such warrant (or request for extension), the issuing or denying judge shall report to the Administrative Office of the United States Courts—

''(A) the fact that a warrant was applied for;

''(B) the fact that the warrant or any extension thereof was granted as applied for, was modified, or was denied;

''(C) the period of delay in the giving of notice authorized by the warrant, and the number and duration of any extensions; and

''(D) the offense specified in the warrant or application.

''(2) REPORT BY ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS.—Beginning with the fiscal year ending September 30, 2007, the Director of the Administrative Office of the United States Courts shall transmit to Congress annually a full and complete report summarizing the data required to be filed with the Administrative Office by paragraph (1), including the number of applications for warrants and extensions of warrants authorizing delayed notice, and the number of such warrants and extensions granted or denied during the preceding fiscal year.

''(3) REGULATIONS.—The Director of the Administrative Office of the United States Courts, in consultation with the Attorney General, is authorized to issue binding regulations dealing with the content and form of the reports required to be filed under paragraph (1).''.

SEC. 115. JUDICIAL REVIEW OF NATIONAL SECURITY LETTERS.

Chapter 223 of title 18, United States Code, is amended—

(1) by inserting at the end of the table of sections the following new item:

''3511. Judicial review of requests for information.'';

and

(3) by inserting after section 3510 the following:

''§ 3511. Judicial review of requests for information

''(a) The recipient of a request for records, a report, or other information under section 2709(b) of this title, section 626(a) or (b) or 627(a) of the Fair Credit Reporting Act, section 1114(a)(5)(A) of the Right to Financial Privacy Act, or section 802(a) of the National Security Act of 1947 may, in the United States district court for the district in which that person or entity does business or resides, petition for an order modifying or setting aside the request. The court may modify or set aside the request if compliance would be unreasonable, oppressive, or otherwise unlawful.

''(b)(1) The recipient of a request for records, a report, or other information under section 2709(b) of this title, section 626(a) or (b) or 627(a) of the Fair Credit Reporting Act, section 1114(a)(5)(A) of the Right to Financial Privacy Act, or section 802(a) of the National Security Act of 1947, may petition any court described in subsection (a) for an order modifying or setting aside a nondisclosure requirement imposed in connection with such a request.

''(2) If the petition is filed within one year of the request for records, a report, or other information under section 2709(b) of this title, section 626(a) or (b) or 627(a) of the Fair Credit Reporting Act, section 1114(a)(5)(A) of the Right to Financial Privacy Act, or section 802(a) of the National Security Act of 1947, the court may modify or set aside such a nondisclosure requirement if it finds that there is no reason to believe that disclosure may endanger the national security of the United States, interfere with a criminal, counterterrorism, or counterintelligence investigation, interfere with diplomatic relations, or endanger the life or physical safety of any person. If, at the time of the petition, the Attorney General, Deputy Attorney General, an Assistant Attorney General, or the Director of the Federal Bureau of Investigation, or in the case of a request by a department, agency, or instrumentality of the Federal Government other than the Department of Justice, the head or deputy head of such department, agency, or instrumentality, certifies that disclosure may endanger the national security of the United States or interfere with diplomatic relations, such certification shall be treated as conclusive unless the court finds that the certification was made in bad faith.

''(3) If the petition is filed one year or more after the request for records, a report, or other information under section 2709(b) of this title, section 626(a) or (b) or 627(a) of the Fair Credit Reporting Act, section 1114 (a)(5)(A) of the Right to Financial Privacy Act, or section 802(a) of the National Security Act of 1947, the Attorney General, Deputy Attorney General, an Assistant Attorney General, or the Director of the Federal Bureau of Investigation, or his designee in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director, or in the case of a request by a department, agency, or instrumentality of the Federal Government other than the Federal Bureau of Investigation, the head or deputy head of such department, agency, or instrumentality, within ninety days of the filing of the petition, shall either terminate the nondisclosure requirement or re-certify that disclosure may result in a danger to the national security of the United States, interference with a criminal, counterterrorism, or counterintelligence investigation, interference with diplomatic relations, or danger to the life or physical safety of any person. In the event of re-certification, the court may modify or set aside such a nondisclosure requirement if it finds that there is no reason to believe that disclosure may endanger the national security of the United States, interfere with a criminal, counterterrorism, or counterintelligence investigation, interfere with diplomatic relations, or endanger the life or physical safety of any person. If the recertification that disclosure may endanger the national security of the United States or interfere with diplomatic relations is made by the Attorney General, Deputy Attorney General, an Assistant Attorney General, or the Director of the Federal Bureau of Investigation, such certification shall be treated as conclusive unless the court finds that the recertification was made in bad faith. If the court denies a petition for an order modifying or setting aside a nondisclosure requirement under this paragraph, the recipient shall be precluded for a period of one year from filing another petition to modify or set aside such nondisclosure requirement.

''(c) In the case of a failure to comply with a request for records, a report, or other information made to any person or entity under section 2709(b) of this title, section 626(a) or (b) or 627(a) of the Fair Credit Reporting Act, section 1114(a)(5)(A) of the Right to Financial Privacy Act, or section 802(a) of the National Security Act of 1947, the Attorney General may invoke the aid of any district court of the United States within the jurisdiction in which the investigation is carried on or the person or entity resides, carries on business, or may be found, to compel compliance with the request. The court may issue an order requiring the person or entity to comply with the request. Any failure to obey the order of the court may be punished by the court as contempt thereof. Any process under this section may be served in any judicial district in which the person or entity may be found.

''(d) In all proceedings under this section, subject to any right to an open hearing in a contempt proceeding, the court must close any hearing to the extent necessary to prevent an unauthorized disclosure of a request for records, a report, or other information made to any person or entity under section 2709(b) of this title, section 626(a) or (b) or 627(a) of the Fair Credit Reporting Act, section 1114(a)(5)(A) of the Right to Financial Privacy Act, or section 802(a) of the National Security Act of 1947. Petitions, filings, records, orders, and subpoenas must also be kept under seal to the extent and as long as necessary to prevent the unauthorized disclosure of a request for records, a report, or other information made to any person or entity under section 2709(b) of this title, section 626(a) or (b) or 627(a) of the Fair Credit Reporting Act, section 1114(a)(5)(A) of the Right to Financial Privacy Act, or section 802(a) of the National Security Act of 1947.

''(e) In all proceedings under this section, the court shall, upon request of the government, review ex parte and in camera any government submission or portions thereof, which may include classified information.''.

SEC. 116. CONFIDENTIALITY OF NATIONAL SECURITY LETTERS.

(a) Section 2709(c) of title 18, United States Code, is amended to read:

''(c) PROHIBITION OF CERTAIN DISCLOSURE.—

''(1) If the Director of the Federal Bureau of Investigation, or his designee in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director, certifies that otherwise there may result a danger to the national security of the United States, interference with a criminal, counterterrorism, or counterintelligence investigation, interference with diplomatic relations, or danger to the life or physical safety of any person, no wire or electronic communications service provider, or officer, employee, or agent thereof, shall disclose to any person (other than those to whom such disclosure is necessary to comply with the request or an attorney to obtain legal advice or legal assistance with respect to the request) that the Federal Bureau of Investigation has sought or obtained access to information or records under this section.

''(2) The request shall notify the person or entity to whom the request is directed of the nondisclosure requirement under paragraph (1).

''(3) Any recipient disclosing to those persons necessary to comply with the request or to an attorney to obtain legal advice or legal assistance with respect to the request shall inform such person of any applicable nondisclosure requirement. Any person who receives a disclosure under this subsection shall be subject to the same prohibitions on disclosure under paragraph (1).

''(4) At the request of the Director of the Federal Bureau of Investigation or the designee of the Director, any person making or intending to make a disclosure under this section shall identify to the Director or such designee the person to whom such disclosure will be made or to whom such disclosure was made prior to the request, but in no circumstance shall a person be required to inform the Director or such designee that the person intends to consult an attorney to obtain legal advice or legal assistance.''.

(b) Section 626(d) of the Fair Credit Reporting Act (15 U.S.C. 1681u(d)) is amended to read:

''(d) CONFIDENTIALITY.—

''(1) If the Director of the Federal Bureau of Investigation, or his designee in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director, certifies that otherwise there may result a danger to the national security of the United States, interference with a criminal, counterterrorism, or counterintelligence investigation, interference with diplomatic relations, or danger to the life or physical safety of any person, no consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall disclose to any person (other than those to whom such disclosure is necessary to comply with the request or an attorney to obtain legal advice or legal assistance with respect to the request) that the Federal Bureau of Investigation has sought or obtained the identity of financial institutions or a consumer report respecting any consumer under subsection (a), (b), or (c), and no consumer reporting agency or officer, employee, or agent of a consumer reporting agency shall include in any consumer report any information that would indicate that the Federal Bureau of Investigation has sought or obtained such information on a consumer report.

''(2) The request shall notify the person or entity to whom the request is directed of the nondisclosure requirement under paragraph (1).

''(3) Any recipient disclosing to those persons necessary to comply with the request or to an attorney to obtain legal advice or legal assistance with respect to the request shall inform such persons of any applicable nondisclosure requirement. Any person who receives a disclosure under this subsection shall be subject to the same prohibitions on disclosure under paragraph (1).

''(4) At the request of the Director of the Federal Bureau of Investigation or the designee of the Director, any person making or intending to make a disclosure under this section shall identify to the Director or such designee the person to whom such disclosure will be made or to whom such disclosure was made prior to the request, but in no circumstance shall a person be required to inform the Director or such designee that the person intends to consult an attorney to obtain legal advice or legal assistance.''.

(c) Section 626(c) of the Fair Credit Reporting Act (15 U.S.C. 1681v(c)) is amended to read:

''(c) CONFIDENTIALITY.—

''(1) If the head of a government agency authorized to conduct investigations of intelligence or counterintelligence activities or analysis related to international terrorism, or his designee, certifies that otherwise there may result a danger to the national security of the United States, interference with a criminal, counterterrorism, or counterintelligence investigation, interference with diplomatic relations, or danger to the life or physical safety of any person, no consumer reporting agency or officer, employee, or agent of such consumer reporting agency, shall disclose to any person (other than those to whom such disclosure is necessary to comply with the request or an attorney to obtain legal advice or legal assistance with respect to the request), or specify in any consumer report, that a government agency has sought or obtained access to information under subsection (a).

''(2) The request shall notify the person or entity to whom the request is directed of the nondisclosure requirement under paragraph (1).

''(3) Any recipient disclosing to those persons necessary to comply with the request or to any attorney to obtain legal advice or legal assistance with respect to the request shall inform such persons of any applicable nondisclosure requirement. Any person who receives a disclosure under this subsection shall be subject to the same prohibitions on disclosure under paragraph (1).

''(4) At the request of the authorized Government agency, any person making or intending to make a disclosure under this section shall identify to the requesting official of the authorized Government agency the person to whom such disclosure will be made or to whom such disclosure was made prior to the request, but in no circumstance shall a person be required to inform such requesting official that the person intends to consult an attorney to obtain legal advice or legal assistance.''.

(d) Section 1114(a)(3) of the Right to Financial Privacy Act (12 U.S.C. 3414(a)(3)) is amended to read as follows:

''(3)(A) If the Government authority described in paragraph (1) or the Secret Service, as the case may be, certifies that otherwise there may result a danger to the national security of the United States, interference with a criminal, counterterrorism, or counterintelligence investigation, interference with diplomatic relations, or danger to the life or physical safety of any person, no financial institution, or officer, employee, or agent of such institution, shall disclose to any person (other than those to whom such disclosure is necessary to comply with the request or an attorney to obtain legal advice or legal assistance with respect to the request) that the Government authority or the Secret Service has sought or obtained access to a customer's financial records.

''(B) The request shall notify the person or entity to whom the request is directed of the nondisclosure requirement under subparagraph (A).

''(C) Any recipient disclosing to those persons necessary to comply with the request or to an attorney to obtain legal advice or legal assistance with respect to the request shall inform such persons of any applicable nondisclosure requirement. Any person who receives a disclosure under this subsection shall be subject to the same prohibitions on disclosure under subparagraph (A).

''(D) At the request of the authorized Government agency or the Secret Service, any person making or intending to make a disclosure under this section shall identify to the requesting official of the authorized Government agency or the Secret Service the person to whom such disclosure will be made or to whom such disclosure was made prior to the request, but in no circumstance shall a person be required to inform such requesting official that the person intends to consult an attorney to obtain legal advice or legal assistance.''.

(e) Section 1114(a)(5)(D) of the Right to Financial Privacy Act (12 U.S.C. 3414(a)(5)(D)) is amended to read:

''(D) PROHIBITION OF CERTAIN DISCLOSURE.—

''(i) If the Director of the Federal Bureau of Investigation, or his designee in a position not lower than Deputy Assistant Director at Bureau headquarters or a Special Agent in Charge in a Bureau field office designated by the Director, certifies that otherwise there may result a danger to the national security of the United States, interference with a criminal, counterterrorism, or counterintelligence investigation, interference with diplomatic relations, or danger to the life or physical safety of any person, no financial institution, or officer, employee, or agent of such institution, shall disclose to any person (other than those to whom such disclosure is necessary to comply with the request or an attorney to obtain legal advice or legal assistance with respect to the request) that the Federal Bureau of Investigation has sought or obtained access to a customer's or entity's financial records under subparagraph (A).

''(ii) The request shall notify the person or entity to whom the request is directed of the nondisclosure requirement under clause (i).

''(iii) Any recipient disclosing to those persons necessary to comply with the request or to an attorney to obtain legal advice or legal assistance with respect to the request shall inform such persons of any applicable nondisclosure requirement. Any person who receives a disclosure under this subsection shall be subject to the same prohibitions on disclosure under clause (i).

''(iv) At the request of the Director of the Federal Bureau of Investigation or the designee of the Director, any person making or intending to make a disclosure under this section shall identify to the Director or such designee the person to whom such disclosure will be made or to whom such disclosure was made prior to the request, but in no circumstance shall a person be required to inform the Director or such designee that the person intends to consult an attorney to obtain legal advice or legal assistance.''.

(f) Section 802(b) of the National Security Act of 1947 (50 U.S.C. 436(b)) is amended to read as follows:

''(b) PROHIBITION OF CERTAIN DISCLOSURE.—

''(1) If an authorized investigative agency described in subsection (a) certifies that otherwise there may result a danger to the national security of the United States, interference with a criminal, counterterrorism, or counterintelligence investigation, interference with diplomatic relations, or danger to the life or physical safety of any person, no governmental or private entity, or officer, employee, or agent of such entity, may disclose to any person (other than those to whom such disclosure is necessary to comply with the request or an attorney to obtain legal advice or legal assistance with respect to the request) that such entity has received or satisfied a request made by an authorized investigative agency under this section.

''(2) The request shall notify the person or entity to whom the request is directed of the nondisclosure requirement under paragraph (1).

''(3) Any recipient disclosing to those persons necessary to comply with the request or to an attorney to obtain legal advice or legal assistance with respect to the request shall inform such persons of any applicable nondisclosure requirement. Any person who receives a disclosure under this subsection shall be subject to the same prohibitions on disclosure under paragraph (1).

''(4) At the request of the authorized investigative agency, any person making or intending to make a disclosure under this section shall identify to the requesting official of the authorized investigative agency the person to whom such disclosure will be made or to whom such disclosure was made prior to the request, but in no circumstance shall a person be required to inform such official that the person intends to consult an attorney to obtain legal advice or legal assistance.''.

SEC. 117. VIOLATIONS OF NONDISCLOSURE PROVISIONS OF NATIONAL SECURITY LETTERS.

Section 1510 of title 18, United States Code, is amended by adding at the end the following:

''(e) Whoever, having been notified of the applicable disclosure prohibitions or confidentiality requirements of section 2709(c)(1) of this title, section 626(d)(1) or 627(c)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681u(d)(1) or 1681v(c)(1)), section 1114(a)(3)(A) or 1114(a)(5)(D)(i) of the Right to Financial Privacy Act (12 U.S.C. 3414(a)(3)(A) or 3414(a)(5)(D)(i)), or section 802(b)(1) of the National Security Act of 1947 (50 U.S.C. 436(b)(1)), knowingly and with the intent to obstruct an investigation or judicial proceeding violates such prohibitions or requirements applicable by law to such person shall be imprisoned for not more than five years, fined under this title, or both.''.

SEC. 118. REPORTS ON NATIONAL SECURITY LETTERS.

(a) EXISTING REPORTS.—Any report made to a committee of Congress regarding national security letters under section 2709(c)(1) of title 18, United States Code, sections 626(d) or 627(c) of the Fair Credit Reporting Act (15 U.S.C. 1681u(d) or 1681v(c)), section 1114(a)(3) or 1114(a)(5)(D) of the Right to Financial Privacy Act (12 U.S.C. 3414(a)(3) or 3414(a)(5)(D)), or section 802(b) of the National Security Act of 1947 (50 U.S.C. 436(b)) shall also be made to the Committees on the Judiciary of the House of Representatives and the Senate.

(b) ENHANCED OVERSIGHT OF FAIR CREDIT REPORTING ACT COUNTERTERRORISM NATIONAL SECURITY LETTER.—Section 627 of the Fair Credit Reporting Act (15 U.S.C. 1681(v)) is amended by inserting at the end the following new subsection:

''(f) REPORTS TO CONGRESS.—(1) On a semiannual basis, the Attorney General shall fully inform the Committee on the Judiciary, the Committee on Financial Services, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary, the Committee on Banking, Housing, and Urban Affairs, and the Select Committee on Intelligence of the Senate concerning all requests made pursuant to subsection (a).

''(2) In the case of the semiannual reports required to be submitted under paragraph (1) to the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate, the submittal dates for such reports shall be as provided in section 507 of the National Security Act of 1947 (50 U.S.C. 415b).''.

(c) REPORT ON REQUESTS FOR NATIONAL SECURITY LETTERS.—

(1) IN GENERAL.—In April of each year, the Attorney General shall submit to Congress an

aggregate report setting forth with respect to the preceding year the total number of requests made by the Department of Justice for information concerning different United States persons under—

(A) section 2709 of title 18, United States Code (to access certain communication service provider records), excluding the number of requests for subscriber information;

(B) section 1114 of the Right to Financial Privacy Act (12 U.S.C. 3414) (to obtain financial institution customer records);

(C) section 802 of the National Security Act of 1947 (50 U.S.C. 436) (to obtain financial information, records, and consumer reports);

(D) section 626 of the Fair Credit Reporting Act (15 U.S.C. 1681u) (to obtain certain financial information and consumer reports); and

(E) section 627 of the Fair Credit Reporting Act (15 U.S.C. 1681v) (to obtain credit agency consumer records for counterterrorism investigations).

(2) UNCLASSIFIED FORM.—The report under this section shall be submitted in unclassified form.

(d) NATIONAL SECURITY LETTER DEFINED.—In this section, the term ''national security letter'' means a request for information under one of the following provisions of law:

(1) Section 2709(a) of title 18, United States Code (to access certain communication service provider records).

(2) Section 1114(a)(5)(A) of the Right to Financial Privacy Act (12 U.S.C. 3414(a)(5)(A)) (to obtain financial institution customer records).

(3) Section 802 of the National Security Act of 1947 (50 U.S.C. 436) (to obtain financial information, records, and consumer reports).

(4) Section 626 of the Fair Credit Reporting Act (15 U.S.C. 1681u) (to obtain certain financial information and consumer reports).

(5) Section 627 of the Fair Credit Reporting Act (15 U.S.C. 1681v) (to obtain credit agency consumer records for counterterrorism investigations).

SEC. 119. AUDIT OF USE OF NATIONAL SECURITY LETTERS.

(a) AUDIT.—The Inspector General of the Department of Justice shall perform an audit of the effectiveness and use, including any improper or illegal use, of national security letters issued by the Department of Justice.

(b) REQUIREMENTS.—The audit required under subsection (a) shall include—

(1) an examination of the use of national security letters by the Department of Justice during calendar years 2003 through 2006;

(2) a description of any noteworthy facts or circumstances relating to such use, including any improper or illegal use of such authority; and

(3) an examination of the effectiveness of national security letters as an investigative tool, including—

(A) the importance of the information acquired by the Department of Justice to the intelligence activities of the Department of Justice or to any other department or agency of the Federal Government;

(B) the manner in which such information is collected, retained, analyzed, and disseminated by the Department of Justice, including any direct access to such information (such as access to ''raw data'') provided to any other department, agency, or instrumentality of Federal, State, local, or tribal governments or any private sector entity;

(C) whether, and how often, the Department of Justice utilized such information to produce an analytical intelligence product for distribution within the Department of Justice, to the intelligence community (as such term is defined in section 3(4) of the National Security Act of 1947 (50 U.S.C. 401a(4))), or to other Federal, State, local, or tribal government departments, agencies, or instrumentalities;

(D) whether, and how often, the Department of Justice provided such information to law enforcement authorities for use in criminal proceedings;

(E) with respect to national security letters issued following the date of the enactment of this Act, an examination of the number of occasions in which the Department of Justice, or an officer or employee of the Department of Justice, issued a national security letter without the certification necessary to require the recipient of such letter to comply with the nondisclosure and confidentiality requirements potentially applicable under law; and

(F) the types of electronic communications and transactional information obtained through requests for information under section 2709 of title 18, United States Code, including the types of dialing, routing, addressing, or signaling information obtained, and the procedures the Department of Justice uses if content information is obtained through the use of such authority.

(c) SUBMISSION DATES.—

(1) PRIOR YEARS.—Not later than one year after the date of the enactment of this Act, or upon completion of the audit under this section for calendar years 2003 and 2004, whichever is earlier, the Inspector General of the Department of Justice shall submit to the Committee on the Judiciary and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary and the Select Committee on Intelligence of the Senate a report containing the results of the audit conducted under this subsection for calendar years 2003 and 2004.

(2) CALENDAR YEARS 2005 AND 2006.—Not later than December 31, 2007, or upon completion of the audit under this subsection for calendar years 2005 and 2006, whichever is earlier, the Inspector General of the Department of Justice shall submit to the Committee on the Judiciary and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary and the Select Committee on Intelligence of the Senate a report containing the results of the audit conducted under this subsection for calendar years 2005 and 2006.

(d) PRIOR NOTICE TO ATTORNEY GENERAL AND DIRECTOR OF NATIONAL INTELLIGENCE; COMMENTS.—

(1) NOTICE.—Not less than 30 days before the submission of a report under subsections (c)(1) or (c)(2), the Inspector General of the Department of Justice shall provide such report to the Attorney General and the Director of National Intelligence.

(2) COMMENTS.—The Attorney General or the Director of National Intelligence may provide comments to be included in the reports submitted under subsections (c)(1) or (c)(2) as the Attorney General or the Director of National Intelligence may consider necessary.

(e) UNCLASSIFIED FORM.—The reports submitted under subsections (c)(1) or (c)(2) and any comments included under subsection (d)(2) shall be in unclassified form, but may include a classified annex.

(f) MINIMIZATION PROCEDURES FEASIBILITY.—Not later than February 1, 2007, or upon completion of review of the report submitted under subsection (c)(1), whichever is earlier, the Attorney General and the Director of National Intelligence shall jointly submit to the Committee on the Judiciary and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on the Judiciary and the Select Committee on Intelligence of the Senate a report on the feasibility of applying minimization procedures in the context of national security letters to ensure the protection of the constitutional rights of United States persons.

(g) NATIONAL SECURITY LETTER DEFINED.—In this section, the term ''national security letter'' means a request for information under one of the following provisions of law:

(1) Section 2709(a) of title 18, United States Code (to access certain communication service provider records).

(2) Section 1114(a)(5)(A) of the Right to Financial Privacy Act (12 U.S.C. 3414(a)(5)(A)) (to obtain financial institution customer records).

(3) Section 802 of the National Security Act of 1947 (50 U.S.C. 436) (to obtain financial information, records, and consumer reports).

(4) Section 626 of the Fair Credit Reporting Act (15 U.S.C. 1681u) (to obtain certain financial information and consumer reports).

(5) Section 627 of the Fair Credit Reporting Act (15 U.S.C. 1681v) (to obtain credit agency consumer records for counterterrorism investigations).

SEC. 120. DEFINITION FOR FORFEITURE PROVISIONS UNDER SECTION 806 OF THE USA PATRIOT ACT.

Section 981(a)(1)(G) of title 18, United States Code, is amended—

(1) in clause (i), by striking ''act of international or domestic terrorism (as defined in section 2331)'' and inserting ''any Federal crime of terrorism (as defined in section 2332b(g)(5))'';

(2) in clause (ii), by striking ''an act of international or domestic terrorism (as defined in section 2331)'' with ''any Federal crime of terrorism (as defined in section 2332b(g)(5)''; and

(3) in clause (iii), by striking ''act of international or domestic terrorism (as defined in section 2331)'' and inserting ''Federal crime of terrorism (as defined in section 2332b(g)(5))''.

SEC. 121. PENAL PROVISIONS REGARDING TRAFFICKING IN CONTRABAND CIGARETTES OR SMOKELESS TOBACCO.

(a) THRESHOLD QUANTITY FOR TREATMENT AS CONTRABAND CIGARETTES.—(1) Section 2341(2) of title 18, United States Code, is amended by striking ''60,000 cigarettes'' and inserting ''10,000 cigarettes''.

(2) Section 2342(b) of that title is amended by striking ''60,000'' and inserting ''10,000''.

(3) Section 2343 of that title is amended—

(A) in subsection (a), by striking ''60,000'' and inserting ''10,000''; and

(B) in subsection (b), by striking ''60,000'' and inserting ''10,000''.

(b) CONTRABAND SMOKELESS TOBACCO.—(1) Section 2341 of that title is amended—

(A) in paragraph (4), by striking ''and'' at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

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

''(6) the term 'smokeless tobacco' means any finely cut, ground, powdered, or leaf tobacco that is intended to be placed in the oral or nasal cavity or otherwise consumed without being combusted;

''(7) the term 'contraband smokeless tobacco' means a quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, or their equivalent, that are in the possession of any person other than—

''(A) a person holding a permit issued pursuant to chapter 52 of the Internal Revenue Code of 1986 as manufacturer of tobacco products or as an export warehouse proprietor, a person operating a customs bonded warehouse pursuant to section 311 or 555 of the Tariff Act of 1930 (19 U.S.C. 1311, 1555), or an agent of such person;

''(B) a common carrier transporting such smokeless tobacco under a proper bill of lading or freight bill which states the quantity, source, and designation of such smokeless tobacco;

''(C) a person who—

''(i) is licensed or otherwise authorized by the State where such smokeless tobacco is found to engage in the business of selling or distributing tobacco products; and

''(ii) has complied with the accounting, tax, and payment requirements relating to such license or authorization with respect to such smokeless tobacco; or

''(D) an officer, employee, or agent of the United States or a State, or any department, agency, or instrumentality of the United States or a State (including any political subdivision of a State), having possession of such smokeless tobacco in connection with the performance of official duties;''.

(2) Section 2342(a) of that title is amended by inserting ''or contraband smokeless tobacco'' after ''contraband cigarettes''.

(3) Section 2343(a) of that title is amended by inserting '', or any quantity of smokeless tobacco in excess of 500 single-unit consumer-sized cans or packages,'' before ''in a single transaction''.

(4) Section 2344(c) of that title is amended by inserting ''or contraband smokeless tobacco'' after ''contraband cigarettes''.

(5) Section 2345 of that title is amended by inserting ''or smokeless tobacco'' after ''cigarettes'' each place it appears.

(6) Section 2341 of that title is further amended in paragraph (2), as amended by subsection (a)(1) of this section, in the matter preceding subparagraph (A), by striking ''State cigarette taxes in the State where such cigarettes are found, if the State'' and inserting ''State or local cigarette taxes in the State or locality where such cigarettes are found, if the State or local government''.

(c) RECORDKEEPING, REPORTING, AND INSPECTION.—Section 2343 of that title, as amended by this section, is further amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by striking ''only—'' and inserting ''such information as the Attorney General considers appropriate for purposes of enforcement of this chapter, including—''; and

(B) in the flush matter following paragraph (3), by striking the second sentence;

(2) by redesignating subsection (b) as subsection (c);

(3) by inserting after subsection (a) the following new subsection (b):

''(b) Any person, except for a tribal government, who engages in a delivery sale, and who ships, sells, or distributes any quantity in excess of 10,000 cigarettes, or any quantity in excess of 500 single-unit consumer-sized cans or packages of smokeless tobacco, or their equivalent, within a single month, shall submit to the Attorney General, pursuant to rules or regulations prescribed by the Attorney General, a report that sets forth the following:

''(1) The person's beginning and ending inventory of cigarettes and cans or packages of smokeless tobacco (in total) for such month.

''(2) The total quantity of cigarettes and cans or packages of smokeless tobacco that the person received within such month from each other person (itemized by name and address).

''(3) The total quantity of cigarettes and cans or packages of smokeless tobacco that the person distributed within such month to each person (itemized by name and address) other than a retail purchaser.''; and

(4) by adding at the end the following new subsections:

''(d) Any report required to be submitted under this chapter to the Attorney General shall also be submitted to the Secretary of the Treasury and to the attorneys general and the tax administrators of the States from where the shipments, deliveries, or distributions both originated and concluded.

''(e) In this section, the term 'delivery sale' means any sale of cigarettes or smokeless tobacco in interstate commerce to a consumer if—

''(1) the consumer submits the order for such sale by means of a telephone or other method of voice transmission, the mails, or the Internet or other online service, or by any other means where the consumer is not in the same physical location as the seller when the purchase or offer of sale is made; or

''(2) the cigarettes or smokeless tobacco are delivered by use of the mails, common carrier, private delivery service, or any other means where the consumer is not in the same physical location as the seller when the consumer obtains physical possession of the cigarettes or smokeless tobacco.

''(f) In this section, the term 'interstate commerce' means commerce between a State and any place outside the State, or commerce between points in the same State but through any place outside the State.''.

(d) DISPOSAL OR USE OF FORFEITED CIGARETTES AND SMOKELESS TOBACCO.—Section 2344(c) of that title, as amended by this section, is further amended by striking ''seizure and forfeiture,'' and all that follows and inserting '' ''seizure and forfeiture. The provisions of chapter 46 of title 18 relating to civil forfeitures shall extend to any seizure or civil forfeiture under this section. Any cigarettes or smokeless tobacco so seized and forfeited shall be either—

''(1) destroyed and not resold; or

''(2) used for undercover investigative operations for the detection and prosecution of crimes, and then destroyed and not resold.''.

(e) EFFECT ON STATE AND LOCAL LAW.—Section 2345 of that title is amended—

(1) in subsection (a), by striking ''a State to enact and enforce'' and inserting ''a State or local government to enact and enforce its own''; and

(2) in subsection (b), by striking ''of States, through interstate compact or otherwise, to provide for the administration of State'' and inserting ''of State or local governments, through interstate compact or otherwise, to provide for the administration of State or local''.

(f) ENFORCEMENT.—Section 2346 of that title is amended—

(1) by inserting ''(a)'' before ''The Attorney General''; and

(2) by adding at the end the following new subsection:

''(b)(1) A State, through its attorney general, a local government, through its chief law enforcement officer (or a designee thereof), or any person who holds a permit under chapter 52 of the Internal Revenue Code of 1986, may bring an action in the United States district courts to prevent and restrain violations of this chapter by any person (or by any person controlling such person), except that any person who holds a permit under chapter 52 of the Internal Revenue Code of 1986 may not bring such an action against a State or local government. No civil action may be commenced under this paragraph against an Indian tribe or an Indian in Indian country (as defined in section 1151).

''(2) A State, through its attorney general, or a local government, through its chief law enforcement officer (or a designee thereof), may in a civil action under paragraph (1) also obtain any other appropriate relief for violations of this chapter from any person (or by any person controlling such person), including civil penalties, money damages, and injunctive or other equitable relief. Nothing in this chapter shall be deemed to abrogate or constitute a waiver of any sovereign immunity of a State or local government, or an Indian tribe against any unconsented lawsuit under this chapter, or otherwise to restrict, expand, or modify any sovereign immunity of a State or local government, or an Indian tribe.

''(3) The remedies under paragraphs (1) and (2) are in addition to any other remedies under Federal, State, local, or other law.

''(4) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized State official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of State or other law.

''(5) Nothing in this chapter shall be construed to expand, restrict, or otherwise modify any right of an authorized local government official to proceed in State court, or take other enforcement actions, on the basis of an alleged violation of local or other law.''.

(g) CONFORMING AND CLERICAL AMENDMENTS.—(1) The section heading for section 2343 of that title is amended to read as follows:

''§ 2343. Recordkeeping, reporting, and inspection''.

(2) The section heading for section 2345 of such title is amended to read as follows:

''§ 2345. Effect on State and local law''.

(3) The table of sections at the beginning of chapter 114 of that title is amended—

(A) by striking the item relating to section 2343 and inserting the following new item:

''2343. Recordkeeping, reporting, and inspection.'';

and

(B) by striking the item relating to section 2345 and insert the following new item:

''2345. Effect on State and local law.''.

(4)(A) The heading for chapter 114 of that title is amended to read as follows:

''CHAPTER 114—TRAFFICKING IN CONTRABAND CIGARETTES AND SMOKELESS TOBACCO''.

(B) The table of chapters at the beginning of part I of that title is amended by striking the item relating to section 114 and inserting the following new item:

''114. Trafficking in contraband cigarettes and smokeless tobacco ..... 2341.''.

SEC. 122. PROHIBITION OF NARCO-TERRORISM.

Part A of the Controlled Substance Import and Export Act (21 U.S.C. 951 et seq.) is amended by inserting after section 1010 the following:

''FOREIGN TERRORIST ORGANIZATIONS, TERRORIST PERSONS AND GROUPS

''Prohibited Acts

''SEC. 1010A. (a) Whoever engages in conduct that would be punishable under section 841(a) of this title if committed within the jurisdiction of the United States, or attempts or conspires to do so, knowing or intending to provide, directly or indirectly, anything or pecuniary value to any person or organization that has engaged or engages in terrorist activity (as defined in section 212(a)(3)(B) of the Immigration and Nationality Act) or terrorism (as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989), shall be sentenced to a term of imprisonment of not less than twice the minimum punishment under section 841(b)(1), and not more than life, a fine in accordance with the provisions of title 18, United States Code, or both. Notwithstanding section 3583 of title 18, United States Code, any sentence imposed under this subsection shall include a term of supervised release of at least 5 years in addition to such term of imprisonment.

''Jurisdiction

''(b) There is jurisdiction over an offense under this section if—

''(1) the prohibited drug activity or the terrorist offense is in violation of the criminal laws of the United States;

''(2) the offense, the prohibited drug activity, or the terrorist offense occurs in or affects interstate or foreign commerce;

''(3) an offender provides anything of pecuniary value for a terrorist offense that causes or is designed to cause death or serious bodily injury to a national of the United States while that national is outside the United States, or substantial damage to the property of a legal entity organized under the laws of the United States (including any of its States, districts, commonwealths, territories, or possessions) while that property is outside of the United States;

''(4) the offense or the prohibited drug activity occurs in whole or in part outside of the United States (including on the high seas), and a perpetrator of the offense or the prohibited drug activity is a national of the United States or a legal entity organized under the laws of the United States (including any of its States, districts, commonwealths, territories, or possessions); or

''(5) after the conduct required for the offense occurs an offender is brought into or found in the United States, even if the conduct required for the offense occurs outside the United States.

''Proof Requirements

''(c) To violate subsection (a), a person must have knowledge that the person or organization

has engaged or engages in terrorist activity (as defined in section 212(a)(3)(B) of the Immigration and Nationality Act) or terrorism (as defined in section 140(d)(2) of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989).

''Definition

''(d) As used in this section, the term 'anything of pecuniary value' has the meaning given the term in section 1958(b)(1) of title 18, United States Code.''.

SEC. 123. INTERFERING WITH THE OPERATION OF AN AIRCRAFT.

Section 32 of title 18, United States Code, is amended—

(1) in subsection (a), by redesignating paragraphs (5), (6), and (7) as paragraphs (6), (7), and (8) respectively;

(2) by inserting after paragraph (4) of subsection (a), the following:

''(5) interferes with or disables, with intent to endanger the safety of any person or with a reckless disregard for the safety of human life, anyone engaged in the authorized operation of such aircraft or any air navigation facility aiding in the navigation of any such aircraft;'';

(3) in subsection (a)(8), by striking ''paragraphs (1) through (6)'' and inserting ''paragraphs (1) through (7)''; and

(4) in subsection (c), by striking ''paragraphs (1) through (5)'' and inserting ''paragraphs (1) through (6)''.

SEC. 124. SENSE OF CONGRESS RELATING TO LAWFUL POLITICAL ACTIVITY.

It is the sense of Congress that government should not investigate an American citizen solely on the basis of the citizen's membership in a non-violent political organization or the fact that the citizen was engaging in other lawful political activity.

SEC. 125. REMOVAL OF CIVIL LIABILITY BARRIERS THAT DISCOURAGE THE DONATION OF FIRE EQUIPMENT TO VOLUNTEER FIRE COMPANIES.

(a) LIABILITY PROTECTION.—A person who donates qualified fire control or rescue equipment to a volunteer fire company shall not be liable for civil damages under any State or Federal law for personal injuries, property damage or loss, or death caused by the equipment after the donation.

(b) EXCEPTIONS.—Subsection (a) does not apply to a person if—

(1) the person's act or omission causing the injury, damage, loss, or death constitutes gross negligence or intentional misconduct; or

(2) the person is the manufacturer of the qualified fire control or rescue equipment.

(3) the person or agency modified or altered the equipment after it had been recertified by an authorized technician as meeting the manufacturer's specifications.

(c) PREEMPTION.—This section preempts the laws of any State to the extent that such laws are inconsistent with this section, except that notwithstanding subsection (b) this section shall not preempt any State law that provides additional protection from liability for a person who donates fire control or fire rescue equipment to a volunteer fire company.

(d) DEFINITIONS.—In this section:

(1) PERSON.—The term ''person'' includes any governmental or other entity.

(2) FIRE CONTROL OR RESCUE EQUIPMENT.—The term ''fire control or fire rescue equipment'' includes any fire vehicle, fire fighting tool, communications equipment, protective gear, fire hose, or breathing apparatus.

(3) QUALIFIED FIRE CONTROL OR RESCUE EQUIPMENT.—The term ''qualified fire control or rescue equipment'' means fire control or fire rescue equipment that has been recertified by an authorized technician as meeting the manufacturer's specifications.

(4) STATE.—The term ''State'' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Virgin Islands, any other territory or possession of the United States, and any political subdivision of any such State, territory, or possession.

(5) VOLUNTEER FIRE COMPANY.—The term ''volunteer fire company'' means an association of individuals who provide fire protection and other emergency services, where at least 30 percent of the individuals receive little or no compensation compared with an entry level full-time paid individual in that association or in the nearest such association with an entry level full-time paid individual.

(6) AUTHORIZED TECHNICIAN.—The term ''authorized technician'' means a technician who has been certified by the manufacturer of fire control or fire rescue equipment to inspect such equipment. The technician need not be employed by the State or local agency administering the distribution of the fire control or fire rescue equipment.

(e) EFFECTIVE DATE.—This section applies only to liability for injury, damage, loss, or death caused by equipment that, for purposes of subsection (a), is donated on or after the date that is 30 days after the date of the enactment of this section.

SEC. 126. REPORT ON DATA-MINING ACTIVITIES.

(a) REPORT.—Not later than one year after the date of the enactment of this Act, the Attorney General shall submit to Congress a report on any initiative of the Department of Justice that uses or is intended to develop pattern-based data-mining technology, including, for each such initiative, the following information:

(1) A thorough description of the pattern-based data-mining technology consistent with the protection of existing patents, proprietary business processes, trade secrets, and intelligence sources and methods.

(2) A thorough discussion of the plans for the use of such technology and the target dates for the deployment of the pattern-based data-mining technology.

(3) An assessment of the likely efficacy of the pattern-based data-mining technology quality assurance controls to be used in providing accurate and valuable information consistent with the stated plans for the use of the technology.

(4) An assessment of the likely impact of the implementation of the pattern-based data-mining technology on privacy and civil liberties.

(5) A list and analysis of the laws and regulations applicable to the Department of Justice that govern the application of the pattern-based data-mining technology to the information to be collected, reviewed, gathered, and analyzed with the pattern-based data-mining technology.

(6) A thorough discussion of the policies, procedures, and guidelines of the Department of Justice that are to be developed and applied in the use of such technology for pattern-based data-mining in order to—

(A) protect the privacy and due process rights of individuals; and

(B) ensure that only accurate information is collected and used or account for the possibility of inaccuracy in that information and guard against harmful consequences of potential inaccuracies.

(7) Any necessary classified information in an annex that shall be available consistent with national security to the Committee on the Judiciary of both the Senate and the House of Representatives.

(b) DEFINITIONS.—In this section:

(1) DATA-MINING.—The term ''data-mining'' means a query or search or other analysis of one or more electronic databases, where—

(A) at least one of the databases was obtained from or remains under the control of a non-Federal entity, or the information was acquired initially by another department or agency of the Federal Government for purposes other than intelligence or law enforcement;

(B) the search does not use personal identifiers of a specific individual or does not utilize inputs that appear on their face to identify or be associated with a specified individual to acquire information; and

(C) a department or agency of the Federal Government is conducting the query or search or other analysis to find a pattern indicating terrorist or other criminal activity.

(2) DATABASE.—The term ''database'' does not include telephone directories, information publicly available via the Internet or available by any other means to any member of the public, any databases maintained, operated, or controlled by a State, local, or tribal government (such as a State motor vehicle database), or databases of judicial and administrative opinions.

SEC. 127. SENSE OF CONGRESS.

It is the sense of Congress that under section 981 of title 18, United States Code, victims of terrorists attacks should have access to the assets forfeited.

SEC. 128. USA PATRIOT ACT SECTION 214; AUTHORITY FOR DISCLOSURE OF ADDITIONAL INFORMATION IN CONNECTION WITH ORDERS FOR PEN REGISTER AND TRAP AND TRACE AUTHORITY UNDER FISA.

(a) RECORDS.—Section 402(d)(2) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1842(d)(2)) is amended—

(1) in subparagraph (A)—

(A) in clause (ii), by adding ''and'' at the end; and

(B) in clause (iii), by striking the period at the end and inserting a semicolon; and

(2) in subparagraph (B)(iii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(C) shall direct that, upon the request of the applicant, the provider of a wire or electronic communication service shall disclose to the Federal officer using the pen register or trap and trace device covered by the order—

''(i) in the case of the customer or subscriber using the service covered by the order (for the period specified by the order)—

''(I) the name of the customer or subscriber;

''(II) the address of the customer or subscriber;

''(III) the telephone or instrument number, or other subscriber number or identifier, of the customer or subscriber, including any temporarily assigned network address or associated routing or transmission information;

''(IV) the length of the provision of service by such provider to the customer or subscriber and the types of services utilized by the customer or subscriber;

''(V) in the case of a provider of local or long distance telephone service, any local or long distance telephone records of the customer or subscriber;

''(VI) if applicable, any records reflecting period of usage (or sessions) by the customer or subscriber; and

''(VII) any mechanisms and sources of payment for such service, including the number of any credit card or bank account utilized for payment for such service; and

''(ii) if available, with respect to any customer or subscriber of incoming or outgoing communications to or from the service covered by the order—

''(I) the name of such customer or subscriber;

''(II) the address of such customer or subscriber;

''(III) the telephone or instrument number, or other subscriber number or identifier, of such customer or subscriber, including any temporarily assigned network address or associated routing or transmission information; and

''(IV) the length of the provision of service by such provider to such customer or subscriber and the types of services utilized by such customer or subscriber.''.

(b) ENHANCED OVERSIGHT.—Section 406(a) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1846(a)) is amended by inserting '',

and the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate,'' after ''of the Senate''.

TITLE II—TERRORIST DEATH PENALTY ENHANCEMENT

SEC. 201. SHORT TITLE.

This title may be cited as the ''Terrorist Death Penalty Enhancement Act of 2005''.

Subtitle A—Terrorist Penalties Enhancement Act

SEC. 211. DEATH PENALTY PROCEDURES FOR CERTAIN AIR PIRACY CASES OCCURRING BEFORE ENACTMENT OF THE FEDERAL DEATH PENALTY ACT OF 1994.

(a) IN GENERAL.—Section 60003 of the Violent Crime Control and Law Enforcement Act of 1994, (Public Law 103–322), is amended, as of the time of its enactment, by adding at the end the following:

''(c) DEATH PENALTY PROCEDURES FOR CERTAIN PREVIOUS AIRCRAFT PIRACY VIOLATIONS.—An individual convicted of violating section 46502 of title 49, United States Code, or its predecessor, may be sentenced to death in accordance with the procedures established in chapter 228 of title 18, United States Code, if for any offense committed before the enactment of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), but after the enactment of the Antihijacking Act of 1974 (Public Law 93–366), it is determined by the finder of fact, before consideration of the factors set forth in sections 3591(a)(2) and 3592(a) and (c) of title 18, United States Code, that one or more of the factors set forth in former section 46503(c)(2) of title 49, United States Code, or its predecessor, has been proven by the Government to exist, beyond a reasonable doubt, and that none of the factors set forth in former section 46503(c)(1) of title 49, United States Code, or its predecessor, has been proven by the defendant to exist, by a preponderance of the information. The meaning of the term 'especially heinous, cruel, or depraved', as used in the factor set forth in former section 46503(c)(2)(B)(iv) of title 49, United States Code, or its predecessor, shall be narrowed by adding the limiting language 'in that it involved torture or serious physical abuse to the victim', and shall be construed as when that term is used in section 3592(c)(6) of title 18, United States Code.''.

(b) SEVERABILITY CLAUSE.—If any provision of section 60003(b)(2) of the Violent Crime and Law Enforcement Act of 1994 (Public Law 103–322), or the application thereof to any person or any circumstance is held invalid, the remainder of such section and the application of such section to other persons or circumstances shall not be affected thereby.

SEC. 212. POSTRELEASE SUPERVISION OF TERRORISTS.

Section 3583(j) of title 18, United States Code, is amended in subsection (j), by striking '', the commission'' and all that follows through ''person,'' .

Subtitle B—Federal Death Penalty Procedures

SEC. 221. ELIMINATION OF PROCEDURES APPLICABLE ONLY TO CERTAIN CONTROLLED SUBSTANCES ACT CASES.

Section 408 of the Controlled Substances Act (21 U.S.C. 848) is amended—

(1) in subsection (e)(2), by striking ''(1)(b)'' and inserting (1)(B);

(2) by striking subsection (g) and all that follows through subsection (p);

(3) by striking subsection (r); and

(4) in subsection (q), by striking paragraphs (1) through (3).

SEC. 222. COUNSEL FOR FINANCIALLY UNABLE DEFENDANTS.

(a) IN GENERAL.—Chapter 228 of title 18, United States Code, is amended by adding at the end the following new section:

''§ 3599. Counsel for financially unable defendants

''(a)(1) Notwithstanding any other provision of law to the contrary, in every criminal action in which a defendant is charged with a crime which may be punishable by death, a defendant who is or becomes financially unable to obtain adequate representation or investigative, expert, or other reasonably necessary services at any time either—

''(A) before judgment; or

''(B) after the entry of a judgment imposing a sentence of death but before the execution of that judgment;

shall be entitled to the appointment of one or more attorneys and the furnishing of such other services in accordance with subsections (b) through (f).

''(2) In any post conviction proceeding under section 2254 or 2255 of title 28, United States Code, seeking to vacate or set aside a death sentence, any defendant who is or becomes financially unable to obtain adequate representation or investigative, expert, or other reasonably necessary services shall be entitled to the appointment of one or more attorneys and the furnishing of such other services in accordance with subsections (b) through (f).

''(b) If the appointment is made before judgment, at least one attorney so appointed must have been admitted to practice in the court in which the prosecution is to be tried for not less than five years, and must have had not less than three years experience in the actual trial of felony prosecutions in that court.

''(c) If the appointment is made after judgment, at least one attorney so appointed must have been admitted to practice in the court of appeals for not less than five years, and must have had not less than three years experience in the handling of appeals in that court in felony cases.

''(d) With respect to subsections (b) and (c), the court, for good cause, may appoint another attorney whose background, knowledge, or experience would otherwise enable him or her to properly represent the defendant, with due consideration to the seriousness of the possible penalty and to the unique and complex nature of the litigation.

''(e) Unless replaced by similarly qualified counsel upon the attorney's own motion or upon motion of the defendant, each attorney so appointed shall represent the defendant throughout every subsequent stage of available judicial proceedings, including pretrial proceedings, trial, sentencing, motions for new trial, appeals, applications for writ of certiorari to the Supreme Court of the United States, and all available post-conviction process, together with applications for stays of execution and other appropriate motions and procedures, and shall also represent the defendant in such competency proceedings and proceedings for executive or other clemency as may be available to the defendant.

''(f) Upon a finding that investigative, expert, or other services are reasonably necessary for the representation of the defendant, whether in connection with issues relating to guilt or the sentence, the court may authorize the defendant's attorneys to obtain such services on behalf of the defendant and, if so authorized, shall order the payment of fees and expenses therefor under subsection (g). No ex parte proceeding, communication, or request may be considered pursuant to this section unless a proper showing is made concerning the need for confidentiality. Any such proceeding, communication, or request shall be transcribed and made a part of the record available for appellate review.

''(g)(1) Compensation shall be paid to attorneys appointed under this subsection at a rate of not more than $125 per hour for in-court and out-of-court time. The Judicial Conference is authorized to raise the maximum for hourly payment specified in the paragraph up to the aggregate of the overall average percentages of the adjustments in the rates of pay for the General Schedule made pursuant to section 5305 of title 5 on or after such date. After the rates are raised under the preceding sentence, such hourly range may be raised at intervals of not less than one year, up to the aggregate of the overall average percentages of such adjustments made since the last raise under this paragraph.

''(2) Fees and expenses paid for investigative, expert, and other reasonably necessary services authorized under subsection (f) shall not exceed $7,500 in any case, unless payment in excess of that limit is certified by the court, or by the United States magistrate judge, if the services were rendered in connection with the case disposed of entirely before such magistrate judge, as necessary to provide fair compensation for services of an unusual character or duration, and the amount of the excess payment is approved by the chief judge of the circuit. The chief judge of the circuit may delegate such approval authority to an active circuit judge.

''(3) The amounts paid under this paragraph for services in any case shall be disclosed to the public, after the disposition of the petition.''.

(b) CONFORMING AMENDMENT.—The table of sections of the bill is amended by inserting after the item relating to section 3598 the following new item:

''3599. Counsel for financially unable defendants.''.

(c) REPEAL.—Subsection (q) of section 408 of the Controlled Substances Act is amended by striking paragraphs (4) through (10).

TITLE III—REDUCING CRIME AND TERRORISM AT AMERICA'S SEAPORTS

SEC. 301. SHORT TITLE.

This title may be cited as the ''Reducing Crime and Terrorism at America's Seaports Act of 2005''.

SEC. 302. ENTRY BY FALSE PRETENSES TO ANY SEAPORT.

(a) IN GENERAL.—Section 1036 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking ''or'' at the end;

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

''(3) any secure or restricted area of any seaport, designated as secure in an approved security plan, as required under section 70103 of title 46, United States Code, and the rules and regulations promulgated under that section; or'';

(2) in subsection (b)(1), by striking ''5 years'' and inserting ''10 years'';

(3) in subsection (c)(1), by inserting '', captain of the seaport,'' after ''airport authority''; and

(4) by striking the section heading and inserting the following:

''§ 1036. Entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport or seaport''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 47 of title 18 is amended by striking the matter relating to section 1036 and inserting the following:

''1036. Entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport or seaport.''.

(c) DEFINITION OF SEAPORT.—Chapter 1 of title 18, United States Code, is amended by adding at the end the following:

''§ 26. Definition of seaport

''As used in this title, the term 'seaport' means all piers, wharves, docks, and similar structures, adjacent to any waters subject to the jurisdiction of the United States, to which a vessel may be secured, including areas of land, water, or land and water under and in immediate proximity to such structures, buildings on or contiguous to such structures, and the equipment and

materials on such structures or in such buildings.''.

(d) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 1 of title 18 is amended by inserting after the matter relating to section 25 the following:

''26. Definition of seaport.''.

SEC. 303. CRIMINAL SANCTIONS FOR FAILURE TO HEAVE TO, OBSTRUCTION OF BOARDING, OR PROVIDING FALSE INFORMATION.

(a) OFFENSE.—Chapter 109 of title 18, United States Code, is amended by adding at the end the following:

''§ 2237. Criminal sanctions for failure to heave to, obstruction of boarding, or providing false information

''(a)(1) It shall be unlawful for the master, operator, or person in charge of a vessel of the United States, or a vessel subject to the jurisdiction of the United States, to knowingly fail to obey an order by an authorized Federal law enforcement officer to heave to that vessel.

''(2) It shall be unlawful for any person on board a vessel of the United States, or a vessel subject to the jurisdiction of the United States, to—

''(A) forcibly resist, oppose, prevent, impede, intimidate, or interfere with a boarding or other law enforcement action authorized by any Federal law or to resist a lawful arrest; or

''(B) provide materially false information to a Federal law enforcement officer during a boarding of a vessel regarding the vessel's destination, origin, ownership, registration, nationality, cargo, or crew.

''(b) Any person who intentionally violates this section shall be fined under this title or imprisoned for not more than 5 years, or both.

''(c) This section does not limit the authority of a customs officer under section 581 of the Tariff Act of 1930 (19 U.S.C. 1581), or any other provision of law enforced or administered by the Secretary of the Treasury or the Secretary of Homeland Security, or the authority of any Federal law enforcement officer under any law of the United States, to order a vessel to stop or heave to.

''(d) A foreign nation may consent or waive objection to the enforcement of United States law by the United States under this section by radio, telephone, or similar oral or electronic means. Consent or waiver may be proven by certification of the Secretary of State or the designee of the Secretary of State.

''(e) In this section—

''(1) the term 'Federal law enforcement officer' has the meaning given the term in section 115(c);

''(2) the term 'heave to' means to cause a vessel to slow, come to a stop, or adjust its course or speed to account for the weather conditions and sea state to facilitate a law enforcement boarding;

''(3) the term 'vessel subject to the jurisdiction of the United States' has the meaning given the term in section 2 of the Maritime Drug Law Enforcement Act (46 U.S.C. App. 1903); and

''(4) the term 'vessel of the United States' has the meaning given the term in section 2 of the Maritime Drug Law Enforcement Act (46 U.S.C. App. 1903).''.

(b) CONFORMING AMENDMENT.—The table of sections for chapter 109, title 18, United States Code, is amended by inserting after the item for section 2236 the following:

''2237. Criminal sanctions for failure to heave to, obstruction of boarding, or providing false information.''.

SEC. 304. CRIMINAL SANCTIONS FOR VIOLENCE AGAINST MARITIME NAVIGATION, PLACEMENT OF DESTRUCTIVE DEVICES.

(a) PLACEMENT OF DESTRUCTIVE DEVICES.—Chapter 111 of title 18, United States Code, as amended by subsection (a), is further amended by adding at the end the following:

''§ 2282A. Devices or dangerous substances in waters of the United States likely to destroy or damage ships or to interfere with maritime commerce

''(a) A person who knowingly places, or causes to be placed, in navigable waters of the United States, by any means, a device or dangerous substance which is likely to destroy or cause damage to a vessel or its cargo, cause interference with the safe navigation of vessels, or interference with maritime commerce (such as by damaging or destroying marine terminals, facilities, or any other marine structure or entity used in maritime commerce) with the intent of causing such destruction or damage, interference with the safe navigation of vessels, or interference with maritime commerce shall be fined under this title or imprisoned for any term of years, or for life; or both.

''(b) A person who causes the death of any person by engaging in conduct prohibited under subsection (a) may be punished by death.

''(c) Nothing in this section shall be construed to apply to otherwise lawfully authorized and conducted activities of the United States Government.

''(d) In this section:

''(1) The term 'dangerous substance' means any solid, liquid, or gaseous material that has the capacity to cause damage to a vessel or its cargo, or cause interference with the safe navigation of a vessel.

''(2) The term 'device' means any object that, because of its physical, mechanical, structural, or chemical properties, has the capacity to cause damage to a vessel or its cargo, or cause interference with the safe navigation of a vessel.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 111 of title 18, United States Code, as amended by subsection (b), is further amended by adding after the item related to section 2282 the following:

''2282A. Devices or dangerous substances in waters of the United States likely to destroy or damage ships or to interfere with maritime commerce.''.

(b) VIOLENCE AGAINST MARITIME NAVIGATION.—

(1) IN GENERAL.—Chapter 111 of title 18, United States Code as amended by subsections (a) and (c), is further amended by adding at the end the following:

''§ 2282B. Violence against aids to maritime navigation

''Whoever intentionally destroys, seriously damages, alters, moves, or tampers with any aid to maritime navigation maintained by the Saint Lawrence Seaway Development Corporation under the authority of section 4 of the Act of May 13, 1954 (33 U.S.C. 984), by the Coast Guard pursuant to section 81 of title 14, United States Code, or lawfully maintained under authority granted by the Coast Guard pursuant to section 83 of title 14, United States Code, if such act endangers or is likely to endanger the safe navigation of a ship, shall be fined under this title or imprisoned for not more than 20 years, or both.''.

(2) CONFORMING AMENDMENT.—The table of sections for chapter 111 of title 18, United States Code, as amended by subsections (b) and (d) is further amended by adding after the item related to section 2282A the following:

''2282B. Violence against aids to maritime navigation.''.

SEC. 305. TRANSPORTATION OF DANGEROUS MATERIALS AND TERRORISTS.

(a) TRANSPORTATION OF DANGEROUS MATERIALS AND TERRORISTS.—Chapter 111 of title 18, as amended by section 305, is further amended by adding at the end the following:

''§ 2283. Transportation of explosive, biological, chemical, or radioactive or nuclear materials

''(a) IN GENERAL.—Whoever knowingly transports aboard any vessel within the United States and on waters subject to the jurisdiction of the United States or any vessel outside the United States and on the high seas or having United States nationality an explosive or incendiary device, biological agent, chemical weapon, or radioactive or nuclear material, knowing that any such item is intended to be used to commit an offense listed under section 2332b(g)(5)(B), shall be fined under this title or imprisoned for any term of years or for life, or both.

''(b) CAUSING DEATH.—Any person who causes the death of a person by engaging in conduct prohibited by subsection (a) may be punished by death.

''(c) DEFINITIONS.—In this section:

''(1) BIOLOGICAL AGENT.—The term 'biological agent' means any biological agent, toxin, or vector (as those terms are defined in section 178).

''(2) BY-PRODUCT MATERIAL.—The term 'by-product material' has the meaning given that term in section 11(e) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)).

''(3) CHEMICAL WEAPON.—The term 'chemical weapon' has the meaning given that term in section 229F(1).

''(4) EXPLOSIVE OR INCENDIARY DEVICE.—The term 'explosive or incendiary device' has the meaning given the term in section 232(5) and includes explosive materials, as that term is defined in section 841(c) and explosive as defined in section 844(j).

''(5) NUCLEAR MATERIAL.—The term 'nuclear material' has the meaning given that term in section 831(f)(1).

''(6) RADIOACTIVE MATERIAL.—The term 'radioactive material' means—

''(A) source material and special nuclear material, but does not include natural or depleted uranium;

''(B) nuclear by-product material;

''(C) material made radioactive by bombardment in an accelerator; or

''(D) all refined isotopes of radium.

''(8) SOURCE MATERIAL.—The term 'source material' has the meaning given that term in section 11(z) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(z)).

''(9) SPECIAL NUCLEAR MATERIAL.—The term 'special nuclear material' has the meaning given that term in section 11(aa) of the Atomic Energy Act of 1954 (42 U.S.C. 2014(aa)).

''§ 2284. Transportation of terrorists

''(a) IN GENERAL.—Whoever knowingly and intentionally transports any terrorist aboard any vessel within the United States and on waters subject to the jurisdiction of the United States or any vessel outside the United States and on the high seas or having United States nationality, knowing that the transported person is a terrorist, shall be fined under this title or imprisoned for any term of years or for life, or both.

''(b) DEFINED TERM.—In this section, the term 'terrorist' means any person who intends to commit, or is avoiding apprehension after having committed, an offense listed under section 2332b(g)(5)(B).''.

(b) CONFORMING AMENDMENT.—The table of sections for chapter 111 of title 18, United States Code, as amended by section 305, is further amended by adding at the end the following:

''2283. Transportation of explosive, chemical, biological, or radioactive or nuclear materials.

''2284. Transportation of terrorists.''.

SEC. 306. DESTRUCTION OF, OR INTERFERENCE WITH, VESSELS OR MARITIME FACILITIES.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 111 the following:

''CHAPTER 111A—DESTRUCTION OF, OR INTERFERENCE WITH, VESSELS OR MARITIME FACILITIES

''Sec.

''2290. Jurisdiction and scope.

''2291. Destruction of vessel or maritime facility.

''2292. Imparting or conveying false information.

"§ 2290. Jurisdiction and scope

''(a) JURISDICTION.—There is jurisdiction, including extraterritorial jurisdiction, over an offense under this chapter if the prohibited activity takes place—

''(1) within the United States and within waters subject to the jurisdiction of the United States; or

''(2) outside United States and—

''(A) an offender or a victim is a national of the United States (as that term is defined under section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

''(B) the activity involves a vessel in which a national of the United States was on board; or

''(C) the activity involves a vessel of the United States (as that term is defined under section 2 of the Maritime Drug Law Enforcement Act (46 U.S.C. App. 1903).

''(b) SCOPE.—Nothing in this chapter shall apply to otherwise lawful activities carried out by or at the direction of the United States Government.

"§ 2291. Destruction of vessel or maritime facility

''(a) OFFENSE.—Whoever knowingly—

''(1) sets fire to, damages, destroys, disables, or wrecks any vessel;

''(2) places or causes to be placed a destructive device, as defined in section 921(a)(4), destructive substance, as defined in section 31(a)(3), or an explosive, as defined in section 844(j) in, upon, or near, or otherwise makes or causes to be made unworkable or unusable or hazardous to work or use, any vessel, or any part or other materials used or intended to be used in connection with the operation of a vessel;

''(3) sets fire to, damages, destroys, or disables or places a destructive device or substance in, upon, or near, any maritime facility, including any aid to navigation, lock, canal, or vessel traffic service facility or equipment;

''(4) interferes by force or violence with the operation of any maritime facility, including any aid to navigation, lock, canal, or vessel traffic service facility or equipment, if such action is likely to endanger the safety of any vessel in navigation;

''(5) sets fire to, damages, destroys, or disables or places a destructive device or substance in, upon, or near, any appliance, structure, property, machine, or apparatus, or any facility or other material used, or intended to be used, in connection with the operation, maintenance, loading, unloading, or storage of any vessel or any passenger or cargo carried or intended to be carried on any vessel;

''(6) performs an act of violence against or incapacitates any individual on any vessel, if such act of violence or incapacitation is likely to endanger the safety of the vessel or those on board;

''(7) performs an act of violence against a person that causes or is likely to cause serious bodily injury, as defined in section 1365(h)(3), in, upon, or near, any appliance, structure, property, machine, or apparatus, or any facility or other material used, or intended to be used, in connection with the operation, maintenance, loading, unloading, or storage of any vessel or any passenger or cargo carried or intended to be carried on any vessel;

''(8) communicates information, knowing the information to be false and under circumstances in which such information may reasonably be believed, thereby endangering the safety of any vessel in navigation; or

''(9) attempts or conspires to do anything prohibited under paragraphs (1) through (8),

shall be fined under this title or imprisoned not more than 20 years, or both.

''(b) LIMITATION.—Subsection (a) shall not apply to any person that is engaging in otherwise lawful activity, such as normal repair and salvage activities, and the transportation of hazardous materials regulated and allowed to be transported under chapter 51 of title 49.

''(c) PENALTY.—Whoever is fined or imprisoned under subsection (a) as a result of an act involving a vessel that, at the time of the violation, carried high-level radioactive waste (as that term is defined in section 2(12) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101(12)) or spent nuclear fuel (as that term is defined in section 2(23) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101(23)), shall be fined under this title, imprisoned for a term up to life, or both.

''(d) PENALTY WHEN DEATH RESULTS.—Whoever is convicted of any crime prohibited by subsection (a) and intended to cause death by the prohibited conduct, if the conduct resulted in the death of any person, shall be subject also to the death penalty or to a term of imprisonment for a period up to life.

''(e) THREATS.—Whoever knowingly and intentionally imparts or conveys any threat to do an act which would violate this chapter, with an apparent determination and will to carry the threat into execution, shall be fined under this title or imprisoned not more than 5 years, or both, and is liable for all costs incurred as a result of such threat.

"§ 2292. Imparting or conveying false information

''(a) IN GENERAL.—Whoever imparts or conveys or causes to be imparted or conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act that would be a crime prohibited by this chapter or by chapter 111 of this title, shall be subject to a civil penalty of not more than $5,000, which shall be recoverable in a civil action brought in the name of the United States.

''(b) MALICIOUS CONDUCT.—Whoever knowingly, intentionally, maliciously, or with reckless disregard for the safety of human life, imparts or conveys or causes to be imparted or conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt to do any act which would be a crime prohibited by this chapter or by chapter 111 of this title, shall be fined under this title or imprisoned not more than 5 years.

''(c) JURISDICTION.—

''(1) IN GENERAL.—Except as provided under paragraph (2), section 2290(a) shall not apply to any offense under this section.

''(2) JURISDICTION.—Jurisdiction over an offense under this section shall be determined in accordance with the provisions applicable to the crime prohibited by this chapter, or by chapter 111 of this title, to which the imparted or conveyed false information relates, as applicable.

"§ 2293. Bar to prosecution

''(a) IN GENERAL.—It is a bar to prosecution under this chapter if—

''(1) the conduct in question occurred within the United States in relation to a labor dispute, and such conduct is prohibited as a felony under the law of the State in which it was committed; or

''(2) such conduct is prohibited as a misdemeanor, and not as a felony, under the law of the State in which it was committed.

''(b) DEFINITIONS.—In this section:

''(1) LABOR DISPUTE.—The term 'labor dispute' has the same meaning given that term in section 13(c) of the Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes (29 U.S.C. 113(c), commonly known as the Norris-LaGuardia Act).

''(2) STATE.—The term 'State' means a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.''.

(b) CONFORMING AMENDMENT.—The table of chapters at the beginning of title 18, United States Code, is amended by inserting after the item for chapter 111 the following:

"111A. Destruction of, or interference with, vessels or maritime facilities 2290".

SEC. 307. THEFT OF INTERSTATE OR FOREIGN SHIPMENTS OR VESSELS.

(a) THEFT OF INTERSTATE OR FOREIGN SHIPMENTS.—Section 659 of title 18, United States Code, is amended—

(1) in the first undesignated paragraph—

(A) by inserting ''trailer,'' after ''motortruck,'';

(B) by inserting ''air cargo container,'' after ''aircraft,''; and

(C) by inserting '', or from any intermodal container, trailer, container freight station, warehouse, or freight consolidation facility,'' after ''air navigation facility'';

(2) in the fifth undesignated paragraph, by striking ''in each case'' and all that follows through ''or both'' the second place it appears and inserting ''be fined under this title or imprisoned not more than 10 years, or both, but if the amount or value of such money, baggage, goods, or chattels is less than $1,000, shall be fined under this title or imprisoned for not more than 3 years, or both''; and

(3) by inserting after the first sentence in the eighth undesignated paragraph the following: ''For purposes of this section, goods and chattel shall be construed to be moving as an interstate or foreign shipment at all points between the point of origin and the final destination (as evidenced by the waybill or other shipping document of the shipment), regardless of any temporary stop while awaiting transshipment or otherwise.''.

(b) STOLEN VESSELS.—

(1) IN GENERAL.—Section 2311 of title 18, United States Code, is amended by adding at the end the following, as a new undesignated paragraph: '''Vessel' means any watercraft or other contrivance used or designed for transportation or navigation on, under, or immediately above, water.''.

(2) TRANSPORTATION AND SALE OF STOLEN VESSELS.—

(A) TRANSPORTATION.—Section 2312 of title 18, United States Code, is amended by striking ''motor vehicle or aircraft'' and inserting ''motor vehicle, vessel, or aircraft''.

(B) SALE.—Section 2313(a) of title 18, United States Code, is amended by striking ''motor vehicle or aircraft'' and inserting ''motor vehicle, vessel, or aircraft''.

(c) REVIEW OF SENTENCING GUIDELINES.—Pursuant to section 994 of title 28, United States Code, the United States Sentencing Commission shall review the Federal Sentencing Guidelines to determine whether sentencing enhancement is appropriate for any offense under section 659 or 2311 of title 18, United States Code, as amended by this title.

(d) ANNUAL REPORT OF LAW ENFORCEMENT ACTIVITIES.—The Attorney General shall annually submit to Congress a report, which shall include an evaluation of law enforcement activities relating to the investigation and prosecution of offenses under section 659 of title 18, United States Code, as amended by this title.

(e) REPORTING OF CARGO THEFT.—The Attorney General shall take the steps necessary to ensure that reports of cargo theft collected by Federal, State, and local officials are reflected as a separate category in the Uniform Crime Reporting System, or any successor system, by no later than December 31, 2006.

SEC. 308. STOWAWAYS ON VESSELS OR AIRCRAFT.

Section 2199 of title 18, United States Code, is amended by striking ''Shall be fined under this title or imprisoned not more than one year, or both.'' and inserting the following:

''(1) shall be fined under this title, imprisoned not more than 5 years, or both;

''(2) if the person commits an act proscribed by this section, with the intent to commit serious bodily injury, and serious bodily injury occurs (as defined under section 1365, including any conduct that, if the conduct occurred in the special maritime and territorial jurisdiction of the

United States, would violate section 2241 or 2242) to any person other than a participant as a result of a violation of this section, shall be fined under this title or imprisoned not more than 20 years, or both; and

''(3) if an individual commits an act proscribed by this section, with the intent to cause death, and if the death of any person other than a participant occurs as a result of a violation of this section, shall be fined under this title, imprisoned for any number of years or for life, or both.''.

SEC. 309. BRIBERY AFFECTING PORT SECURITY.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following:

''§ 226. Bribery affecting port security

''(a) IN GENERAL.—Whoever knowingly—

''(1) directly or indirectly, corruptly gives, offers, or promises anything of value to any public or private person, with intent to commit international terrorism or domestic terrorism (as those terms are defined under section 2331), to—

''(A) influence any action or any person to commit or aid in committing, or collude in, or allow, any fraud, or make opportunity for the commission of any fraud affecting any secure or restricted area or seaport; or

''(B) induce any official or person to do or omit to do any act in violation of the lawful duty of such official or person that affects any secure or restricted area or seaport; or

''(2) directly or indirectly, corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity in return for—

''(A) being influenced in the performance of any official act affecting any secure or restricted area or seaport; and

''(B) knowing that such influence will be used to commit, or plan to commit, international or domestic terrorism,

shall be fined under this title or imprisoned not more than 15 years, or both.

''(b) DEFINITION.—In this section, the term 'secure or restricted area' means an area of a vessel or facility designated as secure in an approved security plan, as required under section 70103 of title 46, United States Code, and the rules and regulations promulgated under that section.''.

(b) CONFORMING AMENDMENT.—The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end the following:

''226. Bribery affecting port security.''.

SEC. 310. PENALTIES FOR SMUGGLING GOODS INTO THE UNITED STATES.

The third undesignated paragraph of section 545 of title 18, United States Code, is amended by striking ''5 years'' and inserting ''20 years''.

SEC. 311. SMUGGLING GOODS FROM THE UNITED STATES.

(a) IN GENERAL.—Chapter 27 of title 18, United States Code, is amended by adding at the end the following:

''§ 554. Smuggling goods from the United States

''(a) IN GENERAL.—Whoever fraudulently or knowingly exports or sends from the United States, or attempts to export or send from the United States, any merchandise, article, or object contrary to any law or regulation of the United States, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of such merchandise, article or object, prior to exportation, knowing the same to be intended for exportation contrary to any law or regulation of the United States, shall be fined under this title, imprisoned not more than 10 years, or both.

''(b) DEFINITION.—In this section, the term 'United States' has the meaning given that term in section 545.''.

(b) CONFORMING AMENDMENT.—The chapter analysis for chapter 27 of title 18, United States Code, is amended by adding at the end the following:

''554. Smuggling goods from the United States.''.

(c) SPECIFIED UNLAWFUL ACTIVITY.—Section 1956(c)(7)(D) of title 18, United States Code, is amended by inserting ''section 554 (relating to smuggling goods from the United States),'' before ''section 641 (relating to public money, property, or records),''.

(d) TARIFF ACT OF 1990.—Section 596 of the Tariff Act of 1930 (19 U.S.C. 1595a) is amended by adding at the end the following:

''(d) Merchandise exported or sent from the United States or attempted to be exported or sent from the United States contrary to law, or the proceeds or value thereof, and property used to facilitate the exporting or sending of such merchandise, the attempted exporting or sending of such merchandise, or the receipt, purchase, transportation, concealment, or sale of such merchandise prior to exportation shall be seized and forfeited to the United States.''.

(e) REMOVING GOODS FROM CUSTOMS CUSTODY.—Section 549 of title 18, United States Code, is amended in the 5th paragraph by striking ''two years'' and inserting ''10 years''.

TITLE IV—COMBATING TERRORISM FINANCING

SEC. 401. SHORT TITLE.

This title may be cited as the ''Combating Terrorism Financing Act of 2005''.

SEC. 402. INCREASED PENALTIES FOR TERRORISM FINANCING.

Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended—

(1) in subsection (a), by deleting ''$10,000'' and inserting ''$50,000''.

(2) in subsection (b), by deleting ''ten years'' and inserting ''twenty years''.

SEC. 403. TERRORISM-RELATED SPECIFIED ACTIVITIES FOR MONEY LAUNDERING.

(a) AMENDMENTS TO RICO.—Section 1961(1) of title 18, United States Code, is amended in subparagraph (B), by inserting ''section 1960 (relating to illegal money transmitters),'' before ''sections 2251''.

(b) AMENDMENT TO SECTION 1956(c)(7).—Section 1956(c)(7)(D) of title 18, United States Code, is amended by striking ''or any felony violation of the Foreign Corrupt Practices Act'' and inserting ''any felony violation of the Foreign Corrupt Practices Act''.

(c) CONFORMING AMENDMENTS TO SECTIONS 1956(e) AND 1957(e).—

(1) Section 1956(e) of title 18, United States Code, is amended to read as follows:

''(e) Violations of this section may be investigated by such components of the Department of Justice as the Attorney General may direct, and by such components of the Department of the Treasury as the Secretary of the Treasury may direct, as appropriate, and, with respect to offenses over which the Department of Homeland Security has jurisdiction, by such components of the Department of Homeland Security as the Secretary of Homeland Security may direct, and, with respect to offenses over which the United States Postal Service has jurisdiction, by the Postal Service. Such authority of the Secretary of the Treasury, the Secretary of Homeland Security, and the Postal Service shall be exercised in accordance with an agreement which shall be entered into by the Secretary of the Treasury, the Secretary of Homeland Security, the Postal Service, and the Attorney General. Violations of this section involving offenses described in paragraph (c)(7)(E) may be investigated by such components of the Department of Justice as the Attorney General may direct, and the National Enforcement Investigations Center of the Environmental Protection Agency.''.

(2) Section 1957(e) of title 18, United States Code, is amended to read as follows:

''(e) Violations of this section may be investigated by such components of the Department of Justice as the Attorney General may direct, and by such components of the Department of the Treasury as the Secretary of the Treasury may direct, as appropriate, and, with respect to offenses over which the Department of Homeland Security has jurisdiction, by such components of the Department of Homeland Security as the Secretary of Homeland Security may direct, and, with respect to offenses over which the United States Postal Service has jurisdiction, by the Postal Service. Such authority of the Secretary of the Treasury, the Secretary of Homeland Security, and the Postal Service shall be exercised in accordance with an agreement which shall be entered into by the Secretary of the Treasury, the Secretary of Homeland Security, the Postal Service, and the Attorney General.''.

SEC. 404. ASSETS OF PERSONS COMMITTING TERRORIST ACTS AGAINST FOREIGN COUNTRIES OR INTERNATIONAL ORGANIZATIONS.

Section 981(a)(1)(G) of title 18, United States Code, is amended—

(1) by striking ''or'' at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting ''; or''; and

(3) by inserting the following after clause (iii):

''(iv) of any individual, entity, or organization engaged in planning or perpetrating any act of international terrorism (as defined in section 2331) against any international organization (as defined in section 209 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4309(b)) or against any foreign Government. Where the property sought for forfeiture is located beyond the territorial boundaries of the United States, an act in furtherance of such planning or perpetration must have occurred within the jurisdiction of the United States.''.

SEC. 405. MONEY LAUNDERING THROUGH HAWALAS.

Section 1956(a)(1) of title 18, United States Code, is amended by adding at the end the following: ''For purposes of this paragraph, a financial transaction shall be considered to be one involving the proceeds of specified unlawful activity if it is part of a set of parallel or dependent transactions, any one of which involves the proceeds of specified unlawful activity, and all of which are part of a single plan or arrangement.''.

SEC. 406. TECHNICAL AND CONFORMING AMENDMENTS RELATING TO THE USA PATRIOT ACT.

(a) TECHNICAL CORRECTIONS.—

(1) Section 322 of Public Law 107–56 is amended by striking ''title 18'' and inserting ''title 28''.

(2) Section 1956(b)(3) and (4) of title 18, United States Code, are amended by striking ''described in paragraph (2)'' each time it appears; and

(3) Section 981(k) of title 18, United States Code, is amended by striking ''foreign bank'' each time it appears and inserting ''foreign financial institution (as defined in section 984(c)(2)(A) of this title)''.

(b) CODIFICATION OF SECTION 316 OF THE USA PATRIOT ACT.—

(1) Chapter 46 of title 18, United States Code, is amended—

(A) in the chapter analysis, by inserting at the end the following:

''987. Anti-terrorist forfeiture protection.''

; and

(B) by inserting at the end the following:

''§ 987. Anti-terrorist forfeiture protection

''(a) RIGHT TO CONTEST .—An owner of property that is confiscated under any provision of law relating to the confiscation of assets of suspected international terrorists, may contest that confiscation by filing a claim in the manner set forth in the Federal Rules of Civil Procedure (Supplemental Rules for Certain Admiralty and Maritime Claims), and asserting as an affirmative defense that—

''(1) the property is not subject to confiscation under such provision of law; or

''(2) the innocent owner provisions of section 983(d) of title 18, United States Code, apply to the case.

''(b) EVIDENCE.—In considering a claim filed under this section, a court may admit evidence that is otherwise inadmissible under the Federal Rules of Evidence, if the court determines that the evidence is reliable, and that compliance with the Federal Rules of Evidence may jeopardize the national security interests of the United States.

''(c) CLARIFICATIONS.—

''(1) PROTECTION OF RIGHTS.—The exclusion of certain provisions of Federal law from the definition of the term 'civil forfeiture statute' in section 983(i) of title 18, United States Code, shall not be construed to deny an owner of property the right to contest the confiscation of assets of suspected international terrorists under—

''(A) subsection (a) of this section;

''(B) the Constitution; or

''(C) subchapter II of chapter 5 of title 5, United States Code (commonly known as the 'Administrative Procedure Act').

''(2) SAVINGS CLAUSE.—Nothing in this section shall limit or otherwise affect any other remedies that may be available to an owner of property under section 983 of title 18, United States Code, or any other provision of law.''.

(2) Subsections (a), (b), and (c) of section 316 of Public Law 107–56 are repealed.

(c) CONFORMING AMENDMENTS CONCERNING CONSPIRACIES.—

(1) Section 33(a) of title 18, United States Code is amended by inserting ''or conspires'' before ''to do any of the aforesaid acts''.

(2) Section 1366(a) of title 18, United States Code, is amended—

(A) by striking ''attempts'' each time it appears and inserting ''attempts or conspires''; and

(B) by inserting '', or if the object of the conspiracy had been achieved,'' after ''the attempted offense had been completed''.

SEC. 407. CROSS REFERENCE CORRECTION.

Section 5318(n)(4)(A) of title 31, United States Code, is amended by striking ''National Intelligence Reform Act of 2004'' and inserting ''Intelligence Reform and Terrorism Prevention Act of 2004''.

SEC. 408. AMENDMENT TO AMENDATORY LANGUAGE.

Section 6604 of the Intelligence Reform and Terrorism Prevention Act of 2004 is amended (effective on the date of the enactment of that Act)—

(1) by striking ''Section 2339c(c)(2)'' and inserting ''Section 2339C(c)(2)''; and

(2) by striking ''Section 2339c(e)'' and inserting ''Section 2339C(e)''.

SEC. 409. DESIGNATION OF ADDITIONAL MONEY LAUNDERING PREDICATE.

Section 1956(c)(7)(D) of title 18, United States Code, is amended—

(1) by inserting '', section 2339C (relating to financing of terrorism), or section 2339D (relating to receiving military-type training from a foreign terrorist organization)'' after ''section 2339A or 2339B (relating to providing material support to terrorists)''; and

(2) by striking ''or'' before ''section 2339A or 2339B''.

SEC. 410. UNIFORM PROCEDURES FOR CRIMINAL FORFEITURE.

Section 2461(c) of title 28, United States Code, is amended to read as follows:

''(c) If a person is charged in a criminal case with a violation of an Act of Congress for which the civil or criminal forfeiture of property is authorized, the Government may include notice of the forfeiture in the indictment or information pursuant to the Federal Rules of Criminal Procedure. If the defendant is convicted of the offense giving rise to the forfeiture, the court shall order the forfeiture of the property as part of the sentence in the criminal case pursuant to to the Federal Rules of Criminal Procedure and section 3554 of title 18, United States Code. The procedures in section 413 of the Controlled Substances Act (21 U.S.C. 853) apply to all stages of a criminal forfeiture proceeding, except that subsection (d) of such section applies only in cases in which the defendant is convicted of a violation of such Act.''''.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. RESIDENCE OF UNITED STATES ATTORNEYS AND ASSISTANT UNITED STATES ATTORNEYS.

(a) IN GENERAL.—Subsection (a) of section 545 of title 28, United States Code, is amended by adding at the end the following new sentence: ''Pursuant to an order from the Attorney General or his designee, a United States attorney or an assistant United States attorney may be assigned dual or additional responsibilities that exempt such officer from the residency requirement in this subsection for a specific period as established by the order and subject to renewal.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of February 1, 2005.

SEC. 502. INTERIM APPOINTMENT OF UNITED STATES ATTORNEYS.

Section 546 of title 28, United States Code, is amended by striking subsections (c) and (d) and inserting the following new subsection:

''(c) A person appointed as United States attorney under this section may serve until the qualification of a United States Attorney for such district appointed by the President under section 541 of this title. ''.

SEC. 503. SECRETARY OF HOMELAND SECURITY IN PRESIDENTIAL LINE OF SUCCESSION.

Section 19(d)(1) of title 3, United States Code, is amended by inserting '', Secretary of Homeland Security'' after ''Secretary of Veterans Affairs''.

SEC. 504. BUREAU OF ALCOHOL, TOBACCO AND FIREARMS TO THE DEPARTMENT OF JUSTICE.

The second sentence of section 1111(a)(2) of the Homeland Security Act of 2002 (6 U.S.C. 531(a)(2)) is amended by striking ''Attorney General'' the first place it appears and inserting ''President, by and with the advice and consent of the Senate''.

SEC. 505. QUALIFICATIONS OF UNITED STATES MARSHALS.

Section 561 of title 28, United States Code, is amended by adding at the end the following new subsection:

''(i) Each marshal appointed under this section should have—

''(1) a minimum of 4 years of command-level law enforcement management duties, including personnel, budget, and accountable property issues, in a police department, sheriff's office or Federal law enforcement agency;

''(2) experience in coordinating with other law enforcement agencies, particularly at the State and local level;

''(3) college-level academic experience; and

''(4) experience in or with county, State, and Federal court systems or experience with protection of court personnel, jurors, and witnesses.''.

SECTION 506. DEPARTMENT OF JUSTICE INTELLIGENCE MATTERS.

(a) ASSISTANT ATTORNEY GENERAL FOR NATIONAL SECURITY.—

(1) IN GENERAL.—Chapter 31 of title 28, United States Code, is amended by inserting after section 507 the following new section:

''§507A. Assistant Attorney General for National Security

''(a) Of the Assistant Attorneys General appointed under section 506, one shall serve, upon the designation of the President, as the Assistant Attorney General for National Security.

''(b) The Assistant Attorney General for National Security shall—

''(1) serve as the head of the National Security Division of the Department of Justice under section 509A of this title;

''(2) serve as primary liaison to the Director of National Intelligence for the Department of Justice; and

''(3) perform such other duties as the Attorney General may prescribe.''.

(2) ADDITIONAL ASSISTANT ATTORNEY GENERAL.—Section 506 of title 28, United States Code, is amended by striking ''ten'' and inserting ''11''.

(3) EXECUTIVE SCHEDULE MATTERS.—Section 5315 of title 5, United States Code, is amended by striking the matter relating to Assistant Attorneys General and inserting the following:

'' Assistant Attorneys General (11).''.

(4) CONSULTATION OF DIRECTOR OF NATIONAL INTELLIGENCE IN APPOINTMENT.—Section 106(c)(2) of the National Security Act of 1947 (50 U.S.C. 403–6(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) The Assistant Attorney General designated as the Assistant Attorney General for National Security under section 507A of title 28, United States Code.''.

(5) AUTHORITY TO ACT FOR ATTORNEY GENERAL UNDER FOREIGN INTELLIGENCE SURVEILLANCE ACT OF 1978.—Section 101(g) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801(g)) is amended by striking ''or the Deputy Attorney General'' and inserting '', the Deputy Attorney General, or, upon the designation of the Attorney General, the Assistant Attorney General designated as the Assistant Attorney General for National Security under section 507A of title 28, United States Code''.

(6) AUTHORIZATION FOR INTERCEPTION OF COMMUNICATIONS.—Section 2516(1) of title 18, United States Code, is amended by inserting ''or National Security Division'' after ''the Criminal Division''.

(7) AUTHORITY TO ACT FOR ATTORNEY GENERAL IN MATTERS INVOLVING WITNESS RELOCATION OR PROTECTION.—Section 3521(d)(3) of title 18, United States Code, is amended by striking ''to the Assistant Attorney General in charge of the Criminal Division of the Department of Justice'' and inserting ''to any Assistant Attorney General in charge of the Criminal Division or National Security Division of the Department of Justice''.

(8) PROSECUTION OF CASES INVOLVING CLASSIFIED INFORMATION.—Section 9A(a) of the Classified Information Procedures Act (18 U.S.C. App.) is amended by inserting ''or the Assistant Attorney General for National Security, as appropriate,'' after ''Assistant Attorney General for the Criminal Division''.

(9) INTELLIGENCE AND NATIONAL SECURITY ASPECTS OF ESPIONAGE PROSECUTION.—Section 341(b) of the Intelligence Authorization Act for Fiscal Year 2004 (28 U.S.C. 519 note) is amended by striking ''acting through the Office of Intelligence Policy and Review of the Department of Justice'' and inserting ''acting through the Assistant Attorney General for National Security''.

(10) CERTIFICATIONS FOR CERTAIN UNDERCOVER FOREIGN INTELLIGENCE AND COUNTERINTELLIGENCE INVESTIGATIVE OPERATIONS.—Section 102(b)(1) of Public Law 102–395 (28 U.S.C. 533 note) is amended by striking ''Counsel for Intelligence Policy'' and inserting ''Assistant Attorney General for National Security''.

(11) INCLUSION IN FEDERAL LAW ENFORCEMENT COMMUNITY FOR EMERGENCY FEDERAL LAW ENFORCEMENTS ASSISTANCE PURPOSES.—Section 609N(2) of the Justice Assistance Act of 1984 (42 U.S.C. 10502(2)) is amended—

(A) by redesignating subparagraphs (L) and (M) as subparagraphs (M) and (N), respectively; and

(B) by inserting after subparagraph (K) the following new subparagraph (L):

''(L) the National Security Division of the Department of Justice,''.

(b) NATIONAL SECURITY DIVISION OF DEPARTMENT OF JUSTICE.—

(1) IN GENERAL.—Chapter 31 of title 28, United States Code, is further amended by inserting after section 509 the following new section:

"§ 509A. National Security Division

''(a) There is a National Security Division of the Department of Justice.

''(b) The National Security Division shall consist of the elements of the Department of Justice (other than the Federal Bureau of Investigation) engaged primarily in support of the intelligence and intelligence-related activities of the United States Government, including the following:

''(1) The Assistant Attorney General designated as the Assistant Attorney General for National Security under section 507A of this title.

''(2) The Office of Intelligence Policy and Review (or any successor organization).

''(3) The counterterrorism section (or any successor organization).

''(4) The counterespionage section (or any successor organization).

''(5) Any other element, component, or office designated by the Attorney General.''.

(2) PROHIBITION ON POLITICAL ACTIVITY.—Section 7323(b)(3) of title 5, United States Code, is amended by inserting ''or National Security Division'' after ''Criminal Division''.

(c) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 31 of title 28, United States Code, is amended—

(1) by inserting after the item relating to section 507 the following new item:

''507A. Assistant Attorney General for National Security.'';

and

(2) by inserting after the item relating to section 509 the following new item:

''509A. National Security Division.''.

(d) PROCEDURES FOR CONFIRMATION OF THE ASSISTANT ATTORNEY GENERAL FOR NATIONAL SECURITY.—(1) Section 17 of Senate Resolution 400 (94th Congress) is amended—

(A) in subsection (a), by striking ''(a) The'' and inserting ''(a)(1) Except as otherwise provided in subsection (b), the'';

(B) in subsection (b), by striking ''(b)'' and inserting ''(2)''; and

(C) by inserting after subsection (a) the following new subsection:

''(b)(1) With respect to the confirmation of the Assistant Attorney General for National Security, or any successor position, the nomination of any individual by the President to serve in such position shall be referred to the Committee on the Judiciary and, if and when reported, to the select Committee for not to exceed 20 calendar days, except that in cases when the 20-day period expires while the Senate is in recess, the select Committee shall have 5 additional calendar days after the Senate reconvenes to report the nomination.

''(2) If, upon the expiration of the period described in paragraph (1), the select Committee has not reported the nomination, such nomination shall be automatically discharged from the select Committee and placed on the Executive Calendar.''.

(2) Paragraph (1) is enacted—

(A) as an exercise of the rulemaking power of the Senate; and

(B) with full recognition of the constitutional right of the Senate to change the rules of the Senate at any time and to the same extent as in the case of any other rule of the Senate.

SEC. 507. REVIEW BY ATTORNEY GENERAL.

(a) APPLICABILITY.—Section 2261 of title 28, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) COUNSEL.—This chapter is applicable if—

''(1) the Attorney General of the United States certifies that a State has established a mechanism for providing counsel in postconviction proceedings as provided in section 2265; and

''(2) counsel was appointed pursuant to that mechanism, petitioner validly waived counsel, petitioner retained counsel, or petitioner was found not to be indigent.''.

(b) SCOPE OF PRIOR REPRESENTATION.—Section 2261(d) of title 28, United States Code is amended by striking ''or on direct appeal''.

(c) CERTIFICATION AND JUDICIAL REVIEW.—

(1) IN GENERAL.—Chapter 154 of title 28, United States Code, is amended by striking section 2265 and inserting the following:

"§ 2265. Certification and judicial review

''(a) CERTIFICATION.—

''(1) IN GENERAL.—If requested by an appropriate State official, the Attorney General of the United States shall determine—

''(A) whether the State has established a mechanism for the appointment, compensation, and payment of reasonable litigation expenses of competent counsel in State postconviction proceedings brought by indigent prisoners who have been sentenced to death;

''(B) the date on which the mechanism described in subparagraph (A) was established; and

''(C) whether the State provides standards of competency for the appointment of counsel in proceedings described in subparagraph (A).

''(2) EFFECTIVE DATE.—The date the mechanism described in paragraph (1)(A) was established shall be the effective date of the certification under this subsection.

''(3) ONLY EXPRESS REQUIREMENTS.—There are no requirements for certification or for application of this chapter other than those expressly stated in this chapter.

''(b) REGULATIONS.—The Attorney General shall promulgate regulations to implement the certification procedure under subsection (a).

''(c) REVIEW OF CERTIFICATION.—

''(1) IN GENERAL.—The determination by the Attorney General regarding whether to certify a State under this section is subject to review exclusively as provided under chapter 158 of this title.

''(2) VENUE.—The Court of Appeals for the District of Columbia Circuit shall have exclusive jurisdiction over matters under paragraph (1), subject to review by the Supreme Court under section 2350 of this title.

''(3) STANDARD OF REVIEW.—The determination by the Attorney General regarding whether to certify a State under this section shall be subject to de novo review.''.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 154 of title 28, United States Code, is amended by striking the item related to section 2265 and inserting the following:

''2265. Certification and judicial review.''.

(d) APPLICATION TO PENDING CASES.—

(1) IN GENERAL.—This section and the amendments made by this section shall apply to cases pending on or after the date of enactment of this Act.

(2) TIME LIMITS.—In a case pending on the date of enactment of this Act, if the amendments made by this section establish a time limit for taking certain action, the period of which began on the date of an event that occurred prior to the date of enactment of this Act, the period of such time limit shall instead begin on the date of enactment of this Act.

(e) TIME LIMITS.—Section 2266(b)(1)(A) of title 28, United States Code, is amended by striking ''180 days after the date on which the application is filed'' and inserting ''450 days after the date on which the application is filed, or 60 days after the date on which the case is submitted for decision, whichever is earlier''.

(f) STAY OF STATE COURT PROCEEDINGS.—Section 2251 of title 28, United States Code, is amended—

(1) in the first undesignated paragraph, by striking ''A justice'' and inserting the following:

''(a) IN GENERAL.—

''(1) PENDING MATTERS.—A justice'';

(2) in the second undesignated paragraph, by striking ''After the'' and inserting the following:

''(b) NO FURTHER PROCEEDINGS.—After the''; and

(3) in subsection (a), as so designated by paragraph (1), by adding at the end the following:

''(2) MATTER NOT PENDING.—For purposes of this section, a habeas corpus proceeding is not pending until the application is filed.

''(3) APPLICATION FOR APPOINTMENT OF COUNSEL.—If a State prisoner sentenced to death applies for appointment of counsel pursuant to section 3599(a)(2) of title 18 in a court that would have jurisdiction to entertain a habeas corpus application regarding that sentence, that court may stay execution of the sentence of death, but such stay shall terminate not later than 90 days after counsel is appointed or the application for appointment of counsel is withdrawn or denied.''.

TITLE VI—SECRET SERVICE

SEC. 601. SHORT TITLE.

This title may be cited as the ''Secret Service Authorization and Technical Modification Act of 2005''.

SEC. 602. INTERFERENCE WITH NATIONAL SPECIAL SECURITY EVENTS.

(a) IN GENERAL.—Section 1752 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by amending paragraph (1) to read as follows:

''(1) willfully and knowingly to enter or remain in any posted, cordoned off, or otherwise restricted area of a building or grounds where the President or other person protected by the Secret Service is or will be temporarily visiting;'';

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(C) by inserting after paragraph (1) the following new paragraph:

''(2) willfully and knowingly to enter or remain in any posted, cordoned off, or otherwise restricted area of a building or grounds so restricted in conjunction with an event designated as a special event of national significance;'';

(D) in paragraph (3), as redesignated by subparagraph (B)—

(i) by inserting ''willfully, knowingly, and'' before ''with intent to impede or disrupt'';

(ii) by striking ''designated'' and inserting ''described''; and

(iii) by inserting ''or (2)'' after ''paragraph (1)'';

(E) in paragraph (4), as redesignated by subparagraph (B)—

(i) by striking ''designated or enumerated'' and inserting ''described''; and

(ii) by inserting ''or (2)'' after ''paragraph (1)''; and

(F) in paragraph (5), as redesignated by subparagraph (B)—

(i) by striking ''designated or enumerated'' and inserting ''described''; and

(ii) by inserting ''or (2)'' after ''paragraph (1)'';

(2) by amending subsection (b) to read as follows:

''(b) Violation of this section, and attempts or conspiracies to commit such violations, shall be punishable by—

''(1) a fine under this title or imprisonment for not more than 10 years, or both, if—

''(A) the person, during and in relation to the offense, uses or carries a deadly or dangerous weapon or firearm; or

''(B) the offense results in significant bodily injury as defined by section 2118(e)(3); and

''(2) a fine under this title or imprisonment for not more than one year, or both, in any other case.''; and

(3) by striking subsection (d) and redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(b) CLERICAL AMENDMENT.—(1) The heading of such section is amended to read as follows:

"§ 1752. Restricted building or grounds".

(2) The item relating to such section in the table of sections at the beginning of chapter 84 of such title is amended to read as follows:

''1752. Restricted building or grounds.''.

SEC. 603. FALSE CREDENTIALS TO NATIONAL SPECIAL SECURITY EVENTS.

Section 1028 of title 18, United States Code, is amended—

(1) in subsection (a)(6), by inserting ''or a sponsoring entity of an event designated as a special event of national significance'' after ''States'';

(2) in subsection (c)(1), by inserting ''or a sponsoring entity of an event designated as a special event of national significance'' after ''States'';

(3) in subsection (d)(3), by inserting ''a sponsoring entity of an event designated as a special event of national significance,'' after ''political subdivision of a State,''; and

(4) in each of subsections (d)(4)(B) and (d)(6)(B), by inserting ''a sponsoring entity of an event designated by the President as a special event of national significance,'' after ''political subdivision of a State,''.

SEC. 604. FORENSIC AND INVESTIGATIVE SUPPORT OF MISSING AND EXPLOITED CHILDREN CASES.

Section 3056(f) of title 18, United States Code, is amended by striking ''officers and agents of the Secret Service are'' and inserting ''the Secret Service is''.

SEC. 605. THE UNIFORMED DIVISION, UNITED STATES SECRET SERVICE.

(a) IN GENERAL.—Chapter 203 of title 18, United States Code, is amended by inserting after section 3056 the following:

''§3056A. Powers, authorities, and duties of United States Secret Service Uniformed Division

''(a) There is hereby created and established a permanent police force, to be known as the 'United States Secret Service Uniformed Division'. Subject to the supervision of the Secretary of Homeland Security, the United States Secret Service Uniformed Division shall perform such duties as the Director, United States Secret Service, may prescribe in connection with the protection of the following:

''(1) The White House in the District of Columbia.

''(2) Any building in which Presidential offices are located.

''(3) The Treasury Building and grounds.

''(4) The President, the Vice President (or other officer next in the order of succession to the Office of President), the President-elect, the Vice President-elect, and their immediate families.

''(5) Foreign diplomatic missions located in the metropolitan area of the District of Columbia.

''(6) The temporary official residence of the Vice President and grounds in the District of Columbia.

''(7) Foreign diplomatic missions located in metropolitan areas (other than the District of Columbia) in the United States where there are located twenty or more such missions headed by full-time officers, except that such protection shall be provided only—

''(A) on the basis of extraordinary protective need;

''(B) upon request of an affected metropolitan area; and

''(C) when the extraordinary protective need arises at or in association with a visit to—

''(i) a permanent mission to, or an observer mission invited to participate in the work of, an international organization of which the United States is a member; or

''(ii) an international organization of which the United States is a member;

except that such protection may also be provided for motorcades and at other places associated with any such visit and may be extended at places of temporary domicile in connection with any such visit.

''(8) Foreign consular and diplomatic missions located in such areas in the United States, its territories and possessions, as the President, on a case-by-case basis, may direct.

''(9) Visits of foreign government officials to metropolitan areas (other than the District of Columbia) where there are located twenty or more consular or diplomatic missions staffed by accredited personnel, including protection for motorcades and at other places associated with such visits when such officials are in the United States to conduct official business with the United States Government.

''(10) Former Presidents and their spouses, as provided in section 3056(a)(3) of title 18.

''(11) An event designated under section 3056(e) of title 18 as a special event of national significance.

''(12) Major Presidential and Vice Presidential candidates and, within 120 days of the general Presidential election, the spouses of such candidates, as provided in section 3056(a)(7) of title 18.

''(13) Visiting heads of foreign states or foreign governments.

''(b)(1) Under the direction of the Director of the Secret Service, members of the United States Secret Service Uniformed Division are authorized to—

''(A) carry firearms;

''(B) make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony; and

''(C) perform such other functions and duties as are authorized by law.

''(2) Members of the United States Secret Service Uniformed Division shall possess privileges and powers similar to those of the members of the Metropolitan Police of the District of Columbia.

''(c) Members of the United States Secret Service Uniformed Division shall be furnished with uniforms and other necessary equipment.

''(d) In carrying out the functions pursuant to paragraphs (7) and (9) of subsection (a), the Secretary of Homeland Security may utilize, with their consent, on a reimbursable basis, the services, personnel, equipment, and facilities of State and local governments, and is authorized to reimburse such State and local governments for the utilization of such services, personnel, equipment, and facilities. The Secretary of Homeland Security may carry out the functions pursuant to paragraphs (7) and (9) of subsection (a) by contract. The authority of this subsection may be transferred by the President to the Secretary of State. In carrying out any duty under paragraphs (7) and (9) of subsection (a), the Secretary of State is authorized to utilize any authority available to the Secretary under title II of the State Department Basic Authorities Act of 1956.''.

(b) AMENDMENT TO TABLE OF SECTIONS.—The table of sections at the beginning of chapter 203 of title 18, United States Code, is amended by inserting after the item relating to section 3056 the following new item:

3056A. Powers, authorities, and duties of United States Secret Service Uniformed Division.

(c) CONFORMING REPEAL TO EFFECTUATE TRANSFER.—Chapter 3 of title 3, United States Code, is repealed.

(d) CONFORMING AMENDMENTS TO LAWS AFFECTING DISTRICT OF COLUMBIA.—(1) Section 1537(d) of title 31, United States Code, is amended—

(A) by striking ''and the Executive Protective Service'' and inserting ''and the Secret Service Uniformed Division''; and

(B) by striking ''their protective duties'' and all that follows and inserting ''their protective duties under sections 3056 and 3056A of title 18.''

(2) Section 204(e) of the State Department Basic Authorities Act (sec. 6—1304(e), D.C. Official Code) is amended by striking ''section 202 of title 3, United States Code, or section 3056'' and inserting ''sections 3056 or 3056A''.

(3) Section 214(a) of the State Department Basic Authorities Act (sec. 6—1313(a), D.C. Official Code) is amended by striking ''sections 202(8) and 208 of title 3'' and inserting ''section 3056A(a)(7) and (d) of title 18''.

(e) ADDITIONAL CONFORMING AMENDMENTS.—

(1) Title 12, United States Code, section 3414, ''Special procedures'', is amended by striking ''3 U.S.C. 202'' in subsection (a)(1)(B) and inserting ''18 U.S.C. 3056A''.

(2) The State Department Basic Authorities Act of 1956 is amended—

(A) in the first sentence of section 37(c) (22 U.S.C. 2709(c)), by striking ''section 202 of title 3, United States Code, or section 3056 of title 18, United States Code'' and inserting ''section 3056 or 3056A of title 18, United States Code'';

(B) in section 204(e) (22 U.S.C. 4304(e)), by striking ''section 202 of title 3, United States Code, or section 3056 of title 18, United States Code'' and inserting ''section 3056 or 3056A of title 18, United States Code''; and

(C) in section 214(a) (22 U.S.C. 4314(a)), by striking ''sections 202(7) and 208 of title 3, United States Code'' and inserting ''subsections (a)(7) and (d) of section 3056A of title 18, United States Code''.

(3) Section 8D(a)(1)(F) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking ''section 202 of title 3'' and inserting ''section 3056A of title 18''.

(4) Section 8I(a)(1)(E) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking ''section 202 of title 3'' and inserting ''section 3056A of title 18''.

SEC. 606. SAVINGS PROVISIONS.

(a) This title does not affect the retirement benefits of current employees or annuitants that existed on the day before the effective date of this Act.

(b) This title does not affect any Executive Order transferring to the Secretary of State the authority of section 208 of title 3 (now section 3056A(d) of title 18) in effect on the day before the effective date of this Act.

SEC. 607. MAINTENANCE AS DISTINCT ENTITY.

Section 3056 of title 18 is amended by adding the following at the end of the section:

''(g) The United States Secret Service shall be maintained as a distinct entity within the Department of Homeland Security and shall not be merged with any other Department function. No personnel and operational elements of the United States Secret Service shall report to an individual other than the Director of the United States Secret Service, who shall report directly to the Secretary of Homeland Security without being required to report through any other official of the Department.''.

SEC. 608. EXEMPTIONS FROM THE FEDERAL ADVISORY COMMITTEE ACT.

(a) ADVISORY COMMITTEE REGARDING PROTECTION OF MAJOR PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES.—Section 3056(a)(7) of title 18, United States Code, is amended by inserting ''The Committee shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App. 2).'' after ''other members of the Committee.''.

(b) ELECTRONIC CRIMES TASK FORCES.—Section 105 of Public Law 107–56 (18 U.S.C. 3056 note) is amended by inserting ''The electronic crimes task forces shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App. 2).'' after ''financial payment systems.''.

TITLE VII—COMBAT METHAMPHETAMINE EPIDEMIC ACT OF 2005

SEC. 701. SHORT TITLE.

This title may be cited as the ''Combat Methamphetamine Epidemic Act of 2005''.

Subtitle A—Domestic Regulation of Precursor Chemicals

SEC. 711. SCHEDULED LISTED CHEMICAL PRODUCTS; RESTRICTIONS ON SALES QUANTITY, BEHIND-THE-COUNTER ACCESS, AND OTHER SAFEGUARDS.

(a) SCHEDULED LISTED CHEMICAL PRODUCTS.—

(1) IN GENERAL.—Section 102 of the Controlled Substances Act (21 U.S.C. 802) is amended—

(A) by redesignating paragraph (46) as paragraph (49); and

(B) by inserting after paragraph (44) the following paragraphs:

''(45)(A) The term 'scheduled listed chemical product' means, subject to subparagraph (B), a product that—

''(i) contains ephedrine, pseudoephedrine, or phenylpropanolamine; and

''(ii) may be marketed or distributed lawfully in the United States under the Federal, Food, Drug, and Cosmetic Act as a nonprescription drug.

Each reference in clause (i) to ephedrine, pseudoephedrine, or phenylpropanolamine includes each of the salts, optical isomers, and salts of optical isomers of such chemical.

''(B) Such term does not include a product described in subparagraph (A) if the product contains a chemical specified in such subparagraph that the Attorney General has under section 201(a) added to any of the schedules under section 202(c). In the absence of such scheduling by the Attorney General, a chemical specified in such subparagraph may not be considered to be a controlled substance.

''(46) The term 'regulated seller' means a retail distributor (including a pharmacy or a mobile retail vendor), except that such term does not include an employee or agent of such distributor.

''(47) The term 'mobile retail vendor' means a person or entity that makes sales at retail from a stand that is intended to be temporary, or is capable of being moved from one location to another, whether the stand is located within or on the premises of a fixed facility (such as a kiosk at a shopping center or an airport) or whether the stand is located on unimproved real estate (such as a lot or field leased for retail purposes).

''(48) The term 'at retail', with respect to the sale or purchase of a scheduled listed chemical product, means a sale or purchase for personal use, respectively.''.

(2) CONFORMING AMENDMENTS.—The Controlled Substances Act (21 U.S.C. 801 et seq.) is amended—

(A) in section 102, in paragraph (49) (as redesignated by paragraph (1)(A) of this subsection)—

(i) in subparagraph (A), by striking ''pseudoephedrine or'' and inserting ''ephedrine, pseudoephedrine, or''; and

(ii) by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B); and

(B) in section 310(b)(3)(D)(ii), by striking ''102(46)'' and inserting ''102(49)''.

(b) RESTRICTIONS ON SALES QUANTITY; BEHIND-THE-COUNTER ACCESS; LOGBOOK REQUIREMENT; TRAINING OF SALES PERSONNEL; PRIVACY PROTECTIONS.—

(1) IN GENERAL.—Section 310 of the Controlled Substances Act (21 U.S.C. 830) is amended by adding at the end the following subsections:

''(d) SCHEDULED LISTED CHEMICALS; RESTRICTIONS ON SALES QUANTITY; REQUIREMENTS REGARDING NONLIQUID FORMS.—With respect to ephedrine base, pseudoephedrine base, or phenylpropanolamine base in a scheduled listed chemical product—

''(1) the quantity of such base sold at retail in such a product by a regulated seller, or a distributor required to submit reports by subsection (b)(3) may not, for any purchaser, exceed a daily amount of 3.6 grams, without regard to the number of transactions; and

''(2) such a seller or distributor may not sell such a product in nonliquid form (including gel caps) at retail unless the product is packaged in blister packs, each blister containing not more than 2 dosage units, or where the use of blister packs is technically infeasible, the product is packaged in unit dose packets or pouches.

''(e) SCHEDULED LISTED CHEMICALS; BEHIND-THE-COUNTER ACCESS; LOGBOOK REQUIREMENT; TRAINING OF SALES PERSONNEL; PRIVACY PROTECTIONS.—

''(1) REQUIREMENTS REGARDING RETAIL TRANSACTIONS.—

''(A) IN GENERAL.—Each regulated seller shall ensure that, subject to subparagraph (F), sales by such seller of a scheduled listed chemical product at retail are made in accordance with the following:

''(i) In offering the product for sale, the seller places the product such that customers do not have direct access to the product before the sale is made (in this paragraph referred to as 'behind-the-counter' placement). For purposes of this paragraph, a behind-the-counter placement of a product includes circumstances in which the product is stored in a locked cabinet that is located in an area of the facility involved to which customers do have direct access.

''(ii) The seller delivers the product directly into the custody of the purchaser.

''(iii) The seller maintains, in accordance with criteria issued by the Attorney General, a written or electronic list of such sales that identifies the products by name, the quantity sold, the names and addresses of purchasers, and the dates and times of the sales (which list is referred to in this subsection as the 'logbook'), except that such requirement does not apply to any purchase by an individual of a single sales package if that package contains not more than 60 milligrams of pseudoephedrine.

''(iv) In the case of a sale to which the requirement of clause (iii) applies, the seller does not sell such a product unless—

''(I) the prospective purchaser—

''(aa) presents an identification card that provides a photograph and is issued by a State or the Federal Government, or a document that, with respect to identification, is considered acceptable for purposes of sections 274a.2(b)(1)(v)(A) and 274a.2(b)(1)(v)(B) of title 8, Code of Federal Regulations (as in effect on or after the date of the enactment of the Combat Methamphetamine Epidemic Act of 2005); and

''(bb) signs the logbook and enters in the logbook his or her name, address, and the date and time of the sale; and

''(II) the seller—

''(aa) determines that the name entered in the logbook corresponds to the name provided on such identification and that the date and time entered are correct; and

''(bb) enters in the logbook the name of the product and the quantity sold.

''(v) The logbook includes, in accordance with criteria of the Attorney General, a notice to purchasers that entering false statements or misrepresentations in the logbook may subject the purchasers to criminal penalties under section 1001 of title 18, United States Code, which notice specifies the maximum fine and term of imprisonment under such section.

''(vi) The seller maintains each entry in the logbook for not fewer than two years after the date on which the entry is made.

''(vii) In the case of individuals who are responsible for delivering such products into the custody of purchasers or who deal directly with purchasers by obtaining payments for the products, the seller has submitted to the Attorney General a self-certification that all such individuals have, in accordance with criteria under subparagraph (B)(ii), undergone training provided by the seller to ensure that the individuals understand the requirements that apply under this subsection and subsection (d).

''(viii) The seller maintains a copy of such certification and records demonstrating that individuals referred to in clause (vii) have undergone the training.

''(ix) If the seller is a mobile retail vendor:

''(I) The seller complies with clause (i) by placing the product in a locked cabinet.

''(II) The seller does not sell more than 7.5 grams of ephedrine base, pseudoephedrine base, or phenylpropanolamine base in such products per customer during a 30-day period.

''(B) ADDITIONAL PROVISIONS REGARDING CERTIFICATIONS AND TRAINING.—

''(i) IN GENERAL.—A regulated seller may not sell any scheduled listed chemical product at retail unless the seller has submitted to the Attorney General the self-certification referred to in subparagraph (A)(vii). The certification is not effective for purposes of the preceding sentence unless, in addition to provisions regarding the training of individuals referred to in such subparagraph, the certification includes a statement that the seller understands each of the requirements that apply under this paragraph and under subsection (d) and agrees to comply with the requirements.

''(ii) ISSUANCE OF CRITERIA; SELF-CERTIFICATION.—The Attorney General shall by regulation establish criteria for certifications under this paragraph. The criteria shall—

''(I) provide that the certifications are self-certifications provided through the program under clause (iii);

''(II) provide that a separate certification is required for each place of business at which a regulated seller sells scheduled listed chemical products at retail; and

''(III) include criteria for training under subparagraph (A)(vii).

''(iii) PROGRAM FOR REGULATED SELLERS.—The Attorney General shall establish a program regarding such certifications and training in accordance with the following:

''(I) The program shall be carried out through an Internet site of the Department of Justice and such other means as the Attorney General determines to be appropriate.

''(II) The program shall inform regulated sellers that section 1001 of title 18, United States Code, applies to such certifications.

''(III) The program shall make available to such sellers an explanation of the criteria under clause (ii).

''(IV) The program shall be designed to permit the submission of the certifications through such Internet site.

''(V) The program shall be designed to automatically provide the explanation referred to in subclause (III), and an acknowledgement that the Department has received a certification, without requiring direct interactions of regulated sellers with staff of the Department (other than the provision of technical assistance, as appropriate).

''(iv) AVAILABILITY OF CERTIFICATION TO STATE AND LOCAL OFFICIALS.—Promptly after receiving a certification under subparagraph (A)(vii), the Attorney General shall make available a copy of the certification to the appropriate State and local officials.

''(C) PRIVACY PROTECTIONS.—In order to protect the privacy of individuals who purchase scheduled listed chemical products, the Attorney General shall by regulation establish restrictions on disclosure of information in logbooks under subparagraph (A)(iii). Such regulations shall—

''(i) provide for the disclosure of the information as appropriate to the Attorney General and to State and local law enforcement agencies; and

''(ii) prohibit accessing, using, or sharing information in the logbooks for any purpose other than to ensure compliance with this title or to facilitate a product recall to protect public health and safety.

''(D) FALSE STATEMENTS OR MISREPRESENTATIONS BY PURCHASERS.—For purposes of section 1001 of title 18, United States Code, entering information in the logbook under subparagraph (A)(iii) shall be considered a matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States.

''(E) GOOD FAITH PROTECTION.—A regulated seller who in good faith releases information in a logbook under subparagraph (A)(iii) to Federal, State, or local law enforcement authorities is immune from civil liability for such release unless the release constitutes gross negligence or intentional, wanton, or willful misconduct.

''(F) INAPPLICABILITY OF REQUIREMENTS TO CERTAIN SALES.—Subparagraph (A) does not apply to the sale at retail of a scheduled listed chemical product if a report on the sales transaction is required to be submitted to the Attorney General under subsection (b)(3).

''(G) CERTAIN MEASURES REGARDING THEFT AND DIVERSION.—A regulated seller may take reasonable measures to guard against employing individuals who may present a risk with respect to the theft and diversion of scheduled listed chemical products, which may include, notwithstanding State law, asking applicants for employment whether they have been convicted of any crime involving or related to such products or controlled substances.''.

(2) EFFECTIVE DATES.—With respect to subsections (d) and (e)(1) of section 310 of the Controlled Substances Act, as added by paragraph (1) of this subsection:

(A) Such subsection (d) applies on and after the expiration of the 30-day period beginning on the date of the enactment of this Act.

(B) Such subsection (e)(1) applies on and after September 30, 2006.

(c) MAIL-ORDER REPORTING.—

(1) IN GENERAL.—Section 310(e) of the Controlled Substances Act, as added by subsection (b)(1) of this section, is amended by adding at the end the following:

''(2) MAIL-ORDER REPORTING; VERIFICATION OF IDENTITY OF PURCHASER; 30-DAY RESTRICTION ON QUANTITIES FOR INDIVIDUAL PURCHASERS.—Each regulated person who makes a sale at retail of a scheduled listed chemical product and is required under subsection (b)(3) to submit a report of the sales transaction to the Attorney General is subject to the following:

''(A) The person shall, prior to shipping the product, confirm the identity of the purchaser in accordance with procedures established by the Attorney General. The Attorney General shall by regulation establish such procedures.

''(B) The person may not sell more than 7.5 grams of ephedrine base, pseudoephedrine base, or phenylpropanolamine base in such products per customer during a 30-day period.''.

(2) INAPPLICABILITY OF REPORTING EXEMPTION FOR RETAIL DISTRIBUTORS.—Section 310(b)(3)(D)(ii) of the Controlled Substances Act (21 U.S.C. 830(b)(3)(D)(ii)) is amended by inserting before the period the following: '', except that this clause does not apply to sales of scheduled listed chemical products at retail''.

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) apply on and after the expiration of the 30-day period beginning on the date of the enactment of this Act.

(d) EXEMPTIONS FOR CERTAIN PRODUCTS.—Section 310(e) of the Controlled Substances Act, as added and amended by subsections (b) and (c) of this section, respectively, is amended by adding at the end the following paragraph:

''(3) EXEMPTIONS FOR CERTAIN PRODUCTS.—Upon the application of a manufacturer of a scheduled listed chemical product, the Attorney General may by regulation provide that the product is exempt from the provisions of subsection (d) and paragraphs (1) and (2) of this subsection if the Attorney General determines that the product cannot be used in the illicit manufacture of methamphetamine.''.

(e) RESTRICTIONS ON QUANTITY PURCHASED DURING 30-DAY PERIOD.—

(1) IN GENERAL.—Section 404(a) of the Controlled Substances Act (21 U.S.C. 844(a)) is amended by inserting after the second sentence the following: ''It shall be unlawful for any person to knowingly or intentionally purchase at retail during a 30 day period more than 9 grams of ephedrine base, pseudoephedrine base, or phenylpropanolamine base in a scheduled listed chemical product, except that, of such 9 grams, not more than 7.5 grams may be imported by means of shipping through any private or commercial carrier or the Postal Service.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) applies on and after the expiration of the 30-day period beginning on the date of the enactment of this Act.

(f) ENFORCEMENT OF REQUIREMENTS FOR RETAIL SALES.—

(1) CIVIL AND CRIMINAL PENALTIES.—

(A) IN GENERAL.—Section 402(a) of the Controlled Substances Act (21 U.S.C. 842(a)) is amended—

(i) in paragraph (10), by striking ''or'' after the semicolon;

(ii) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(iii) by inserting after paragraph (11) the following paragraphs:

''(12) who is a regulated seller, or a distributor required to submit reports under subsection (b)(3) of section 310—

''(A) to sell at retail a scheduled listed chemical product in violation of paragraph (1) of subsection (d) of such section, knowing at the time of the transaction involved (independent of consulting the logbook under subsection (e)(1)(A)(iii) of such section) that the transaction is a violation; or

''(B) to knowingly or recklessly sell at retail such a product in violation of paragraph (2) of such subsection (d);

''(13) who is a regulated seller to knowingly or recklessly sell at retail a scheduled listed chemical product in violation of subsection (e) of such section; or

''(14) who is a regulated seller or an employee or agent of such seller to disclose, in violation of regulations under subparagraph (C) of section 310(e)(1), information in logbooks under subparagraph (A)(iii) of such section, or to refuse to provide such a logbook to Federal, State, or local law enforcement authorities.''.

(B) CONFORMING AMENDMENT.—Section 401(f)(1) of the Controlled Substances Act (21 U.S.C. 841(f)(1)) is amended by inserting after ''shall'' the following: '', except to the extent that paragraph (12), (13), or (14) of section 402(a) applies,''.

(2) AUTHORITY TO PROHIBIT SALES BY VIOLATORS.—Section 402(c) of the Controlled Substances Act (21 U.S.C. 842(c)) is amended by adding at the end the following paragraph:

''(4)(A) If a regulated seller, or a distributor required to submit reports under section 310(b)(3), violates paragraph (12) of subsection (a) of this section, or if a regulated seller violates paragraph (13) of such subsection, the Attorney General may by order prohibit such seller or distributor (as the case may be) from selling any scheduled listed chemical product. Any sale of such a product in violation of such an order is subject to the same penalties as apply under paragraph (2).

''(B) An order under subparagraph (A) may be imposed only through the same procedures as apply under section 304(c) for an order to show cause.''.

(g) PRESERVATION OF STATE AUTHORITY TO REGULATE SCHEDULED LISTED CHEMICALS.—This section and the amendments made by this section may not be construed as having any legal effect on section 708 of the Controlled Substances Act as applied to the regulation of scheduled listed chemicals (as defined in section 102(45) of such Act).

SEC. 712. REGULATED TRANSACTIONS.

(a) CONFORMING AMENDMENTS REGARDING SCHEDULED LISTED CHEMICALS.—The Controlled Substances Act (21 U.S.C. 801 et seq.) is amended—

(1) in section 102—

(A) in paragraph (39)(A)—

(i) by amending clause (iv) to read as follows:

''(iv) any transaction in a listed chemical that is contained in a drug that may be marketed or distributed lawfully in the United States under the Federal Food, Drug, and Cosmetic Act, subject to clause (v), unless—

''(I) the Attorney General has determined under section 204 that the drug or group of drugs is being diverted to obtain the listed chemical for use in the illicit production of a controlled substance; and

''(II) the quantity of the listed chemical contained in the drug included in the transaction or multiple transactions equals or exceeds the threshold established for that chemical by the Attorney General;'';

(ii) by redesignating clause (v) as clause (vi); and

(iii) by inserting after clause (iv) the following clause:

''(v) any transaction in a scheduled listed chemical product that is a sale at retail by a regulated seller or a distributor required to submit reports under section 310(b)(3); or''; and

(B) by striking the paragraph (45) that relates to the term ''ordinary over-the-counter pseudoephedrine or phenylpropanolamine product'';

(2) in section 204, by striking subsection (e); and

(3) in section 303(h), in the second sentence, by striking ''section 102(39)(A)(iv)'' and inserting ''clause (iv) or (v) of section 102(39)(A)''.

(b) PUBLIC LAW 104–237.—Section 401 of the Comprehensive Methamphetamine Control Act of 1996 (21 U.S.C. 802 note) (Public Law 104–237) is amended by striking subsections (d), (e), and (f).

SEC. 713. AUTHORITY TO ESTABLISH PRODUCTION QUOTAS.

Section 306 of the Controlled Substances Act (21 U.S.C. 826) is amended—

(1) in subsection (a), by inserting ''and for ephedrine, pseudoephedrine, and phenylpropanolamine'' after ''for each basic class of controlled substance in schedules I and II'';

(2) in subsection (b), by inserting ''or for ephedrine, pseudoephedrine, or phenylpropanolamine'' after ''for each basic class of controlled substance in schedule I or II'';

(3) in subsection (c), in the first sentence, by inserting ''and for ephedrine, pseudoephedrine, and phenylpropanolamine'' after ''for the basic classes of controlled substances in schedules I and II'';

(4) in subsection (d), by inserting ''or ephedrine, pseudoephedrine, or phenylpropanolamine'' after ''that basic class of controlled substance'';

(5) in subsection (e), by inserting ''or for ephedrine, pseudoephedrine, or phenylpropanolamine'' after ''for a basic class of controlled substance in schedule I or II'';

(6) in subsection (f)—

(A) by inserting ''or ephedrine, pseudoephedrine, or phenylpropanolamine'' after ''controlled substances in schedules I and II'';

(B) by inserting ''or of ephedrine, pseudoephedrine, or phenylpropanolamine'' after ''the manufacture of a controlled substance''; and

(C) by inserting ''or chemicals'' after ''such incidentally produced substances''; and

(7) by adding at the end the following subsection:

''(g) Each reference in this section to ephedrine, pseudoephedrine, or phenylpropanolamine includes each of the salts, optical isomers, and salts of optical isomers of such chemical.''.

SEC. 714. PENALTIES; AUTHORITY FOR MANUFACTURING; QUOTA.

Section 402(b) of the Controlled Substances Act (21 U.S.C. 842(b)) is amended by inserting after ''manufacture a controlled substance in schedule I or II'' the following: '', or ephedrine, pseudoephedrine, or phenylpropanolamine or any of the salts, optical isomers, or salts of optical isomers of such chemical,''

SEC. 715. RESTRICTIONS ON IMPORTATION; AUTHORITY TO PERMIT IMPORTS FOR MEDICAL, SCIENTIFIC, OR OTHER LEGITIMATE PURPOSES.

Section 1002 of the Controlled Substances Import and Export Act (21 U.S.C. 952) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1), by inserting ''or ephedrine, pseudoephedrine, or phenylpropanolamine,'' after ''schedule III, IV, or V of title II,''; and

(B) in paragraph (1), by inserting '', and of ephedrine, pseudoephedrine, and phenylpropanolamine, '' after ''coca leaves''; and

(2) by adding at the end the following subsections:

''(d)(1) With respect to a registrant under section 1008 who is authorized under subsection (a)(1) to import ephedrine, pseudoephedrine, or phenylpropanolamine, at any time during the year the registrant may apply for an increase in the amount of such chemical that the registrant is authorized to import, and the Attorney General may approve the application if the Attorney General determines that the approval is necessary to provide for medical, scientific, or other legitimate purposes regarding the chemical.

''(2) With respect to the application under paragraph (1):

''(A) Not later than 60 days after receiving the application, the Attorney General shall approve or deny the application.

''(B) In approving the application, the Attorney General shall specify the period of time for which the approval is in effect, or shall provide that the approval is effective until the registrant involved is notified in writing by the Attorney General that the approval is terminated.

''(C) If the Attorney General does not approve or deny the application before the expiration of the 60-day period under subparagraph (A), the application is deemed to be approved, and such approval remains in effect until the Attorney General notifies the registrant in writing that the approval is terminated.

''(e) Each reference in this section to ephedrine, pseudoephedrine, or phenylpropanolamine includes each of the salts, optical isomers, and salts of optical isomers of such chemical.''.

SEC. 716. NOTICE OF IMPORTATION OR EXPORTATION; APPROVAL OF SALE OR TRANSFER BY IMPORTER OR EXPORTER.

(a) IN GENERAL.—Section 1018 of the Controlled Substances Import and Export Act (21 U.S.C. 971) is amended—

(1) in subsection (b)(1), in the first sentence, by striking ''or to an importation by a regular importer'' and inserting ''or to a transaction that is an importation by a regular importer'';

(2) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively;

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

''(d)(1)(A) Information provided in a notice under subsection (a) or (b) shall include the name of the person to whom the importer or exporter involved intends to transfer the listed chemical involved, and the quantity of such chemical to be transferred.

''(B) In the case of a notice under subsection (b) submitted by a regular importer, if the transferee identified in the notice is not a regular customer, such importer may not transfer the listed chemical until after the expiration of the 15-day period beginning on the date on which the notice is submitted to the Attorney General.

''(C) After a notice under subsection (a) or (b) is submitted to the Attorney General, if circumstances change and the importer or exporter will not be transferring the listed chemical to the transferee identified in the notice, or will be transferring a greater quantity of the chemical than specified in the notice, the importer or exporter shall update the notice to identify the most recent prospective transferee or the most recent quantity or both (as the case may be) and may not transfer the listed chemical until after the expiration of the 15-day period beginning on the date on which the update is submitted to the Attorney General, except that such 15-day restriction does not apply if the prospective transferee identified in the update is a regular customer. The preceding sentence applies with respect to changing circumstances regarding a transferee or quantity identified in an update to the same extent and in the same manner as such sentence applies with respect to changing circumstances regarding a transferee or quantity identified in the original notice under subsection (a) or (b).

''(D) In the case of a transfer of a listed chemical that is subject to a 15-day restriction under subparagraph (B) or (C), the transferee involved shall, upon the expiration of the 15-day period, be considered to qualify as a regular customer, unless the Attorney General otherwise notifies the importer or exporter involved in writing.

''(2) With respect to a transfer of a listed chemical with which a notice or update referred to in paragraph (1) is concerned:

''(A) The Attorney General, in accordance with the same procedures as apply under subsection (c)(2)—

''(i) may order the suspension of the transfer of the listed chemical by the importer or exporter involved, except for a transfer to a regular customer, on the ground that the chemical may be diverted to the clandestine manufacture of a controlled substance (without regard to the form of the chemical that may be diverted, including the diversion of a finished drug product to be manufactured from bulk chemicals to be transferred), subject to the Attorney General ordering such suspension before the expiration of the 15-day period referred to in paragraph (1) with respect to the importation or exportation (in any case in which such a period applies); and

''(ii) may, for purposes of clause (i) and paragraph (1), disqualify a regular customer on such ground.

''(B) From and after the time when the Attorney General provides written notice of the order under subparagraph (A) (including a statement of the legal and factual basis for the order) to the importer or exporter, the importer or exporter may not carry out the transfer.

''(3) For purposes of this subsection:

''(A) The terms 'importer' and 'exporter' mean a regulated person who imports or exports a listed chemical, respectively.

''(B) The term 'transfer', with respect to a listed chemical, includes the sale of the chemical.

''(C) The term 'transferee' means a person to whom an importer or exporter transfers a listed chemical.''; and

(4) by adding at the end the following subsection:

''(g) Within 30 days after a transaction covered by this section is completed, the importer or exporter shall send the Attorney General a return declaration containing particulars of the transaction, including the date, quantity, chemical, container, name of transferees, and such other information as the Attorney General may specify in regulations. For importers, a single return declaration may include the particulars of both the importation and distribution. If the importer has not distributed all chemicals imported by the end of the initial 30-day period, the importer shall file supplemental return declarations no later than 30 days from the date of any further distribution, until the distribution or other disposition of all chemicals imported pursuant to the import notification or any update are accounted for.''.

(b) CONFORMING AMENDMENTS.—

(1) CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT.—The Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.) is amended—

(A) in section 1010(d)(5), by striking ''section 1018(e)(2) or (3)'' and inserting ''paragraph (2) or (3) of section 1018(f)''; and

(B) in section 1018(c)(1), in the first sentence, by inserting before the period the following: ''(without regard to the form of the chemical that may be diverted, including the diversion of a finished drug product to be manufactured from bulk chemicals to be transferred)''.

(2) CONTROLLED SUBSTANCES ACT.—Section 310(b)(3)(D)(v) of the Controlled Substances Act (21 U.S.C. 830(b)(3)(D)(v)) is amended by striking ''section 1018(e)(2)'' and inserting ''section 1018(f)(2)''.

SEC. 717. ENFORCEMENT OF RESTRICTIONS ON IMPORTATION AND OF REQUIREMENT OF NOTICE OF TRANSFER.

Section 1010(d)(6) of the Controlled Substances Import and Export Act (21 U.S.C. 960(d)(6)) is amended to read as follows:

''(6) imports a listed chemical in violation of section 1002, imports or exports such a chemical in violation of section 1007 or 1018, or transfers such a chemical in violation of section 1018(d); or''.

SEC. 718. COORDINATION WITH UNITED STATES TRADE REPRESENTATIVE.

In implementing sections 713 through 717 and section 721 of this title, the Attorney General shall consult with the United States Trade Representative to ensure implementation complies with all applicable international treaties and obligations of the United States.

Subtitle B—International Regulation of Precursor Chemicals

SEC. 721. INFORMATION ON FOREIGN CHAIN OF DISTRIBUTION; IMPORT RESTRICTIONS REGARDING FAILURE OF DISTRIBUTORS TO COOPERATE.

Section 1018 of the Controlled Substances Import and Export Act (21 U.S.C. 971), as amended by section 716(a)(4) of this title, is further amended by adding at the end the following subsection:

''(h)(1) With respect to a regulated person importing ephedrine, pseudoephedrine, or phenylpropanolamine (referred to in this section as an 'importer'), a notice of importation under subsection (a) or (b) shall include all information known to the importer on the chain of distribution of such chemical from the manufacturer to the importer.

''(2) For the purpose of preventing or responding to the diversion of ephedrine, pseudoephedrine, or phenylpropanolamine for use in the illicit production of methamphetamine, the Attorney General may, in the case of any person who is a manufacturer or distributor of such chemical in the chain of distribution referred to in paragraph (1) (which person is referred to in this subsection as a 'foreign-chain distributor'), request that such distributor provide to the Attorney General information known to the distributor on the distribution of the chemical, including sales.

''(3) If the Attorney General determines that a foreign-chain distributor is refusing to cooperate with the Attorney General in obtaining the information referred to in paragraph (2), the Attorney General may, in accordance with procedures that apply under subsection (c), issue an order prohibiting the importation of ephedrine, pseudoephedrine, or phenylpropanolamine in any case in which such distributor is part of the chain of distribution for such chemical. Not later than 60 days prior to issuing the order, the Attorney General shall publish in the Federal Register a notice of intent to issue the order. During such 60-day period, imports of the chemical with respect to such distributor may not be restricted under this paragraph.''.

SEC. 722. REQUIREMENTS RELATING TO THE LARGEST EXPORTING AND IMPORTING COUNTRIES OF CERTAIN PRECURSOR CHEMICALS.

(a) REPORTING REQUIREMENTS.—Section 489(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291h(a)) is amended by adding at the end the following new paragraph:

''(8)(A) A separate section that contains the following:

''(i) An identification of the five countries that exported the largest amount of pseudoephedrine, ephedrine, and phenylpropanolamine (including the salts, optical isomers, or salts of optical isomers of such chemicals, and also including any products or substances containing such chemicals) during the preceding calendar year.

''(ii) An identification of the five countries that imported the largest amount of the chemicals described in clause (i) during the preceding calendar year and have the highest rate of diversion of such chemicals for use in the illicit production of methamphetamine (either in that country or in another country).

''(iii) An economic analysis of the total worldwide production of the chemicals described in clause (i) as compared to the legitimate demand for such chemicals worldwide.

''(B) The identification of countries that imported the largest amount of chemicals under subparagraph (A)(ii) shall be based on the following:

''(i) An economic analysis that estimates the legitimate demand for such chemicals in such countries as compared to the actual or estimated amount of such chemicals that is imported into such countries.

''(ii) The best available data and other information regarding the production of methamphetamine in such countries and the diversion of such chemicals for use in the production of methamphetamine.''.

(b) ANNUAL CERTIFICATION PROCEDURES.—Section 490(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j(a)) is amended—

(1) in paragraph (1), by striking ''major illicit drug producing country or major drug-transit country'' and inserting ''major illicit drug producing country, major drug-transit country, or country identified pursuant to clause (i) or (ii) of section 489(a)(8)(A) of this Act''; and

(2) in paragraph (2), by inserting after ''(as determined under subsection (h))'' the following: ''or country identified pursuant to clause (i) or (ii) of section 489(a)(8)(A) of this Act''.

(c) CONFORMING AMENDMENT.—Section 706 of the Foreign Relations Authorization Act, Fiscal Year 2003 (22 U.S.C. 2291j-1) is amended in paragraph (5) by adding at the end the following:

''(C) Nothing in this section shall affect the requirements of section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) with respect to countries identified pursuant to section clause (i) or (ii) of 489(a)(8)(A) of the Foreign Assistance Act of 1961.''.

(d) PLAN TO ADDRESS DIVERSION OF PRECURSOR CHEMICALS.—In the case of each country identified pursuant to clause (i) or (ii) of section 489(a)(8)(A) of the Foreign Assistance Act of 1961 (as added by subsection (a)) with respect to which the President has not transmitted to Congress a certification under section 490(b) of such Act (22 U.S.C. 2291j(b)), the Secretary of State, in consultation with the Attorney General, shall, not later than 180 days after the date on which the President transmits the report required by section 489(a) of such Act (22 U.S.C. 2291h(a)), submit to Congress a comprehensive plan to address the diversion of the chemicals described in section 489(a)(8)(A)(i) of such Act to the illicit production of methamphetamine in such country or in another country, including the establishment, expansion, and enhancement of regulatory, law enforcement, and other investigative efforts to prevent such diversion.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of State to carry out this section $1,000,000 for each of the fiscal years 2006 and 2007.

SEC. 723. PREVENTION OF SMUGGLING OF METHAMPHETAMINE INTO THE UNITED STATES FROM MEXICO.

(a) IN GENERAL.—The Secretary of State, acting through the Assistant Secretary of the Bureau for International Narcotics and Law Enforcement Affairs, shall take such actions as are necessary to prevent the smuggling of methamphetamine into the United States from Mexico.

(b) SPECIFIC ACTIONS.—In carrying out subsection (a), the Secretary shall—

(1) improve bilateral efforts at the United States-Mexico border to prevent the smuggling of methamphetamine into the United States from Mexico;

(2) seek to work with Mexican law enforcement authorities to improve the ability of such authorities to combat the production and trafficking of methamphetamine, including by providing equipment and technical assistance, as appropriate; and

(3) encourage the Government of Mexico to take immediate action to reduce the diversion of pseudoephedrine by drug trafficking organizations for the production and trafficking of methamphetamine.

(c) REPORT.—Not later than one year after the date of the enactment of this Act, and annually thereafter, the Secretary shall submit to the appropriate congressional committees a report on the implementation of this section for the prior year.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out this section $4,000,000 for each of the fiscal years 2006 and 2007.

Subtitle C—Enhanced Criminal Penalties for Methamphetamine Production and Trafficking

SEC. 731. SMUGGLING METHAMPHETAMINE OR METHAMPHETAMINE PRECURSOR CHEMICALS INTO THE UNITED STATES WHILE USING FACILITATED ENTRY PROGRAMS.

(a) ENHANCED PRISON SENTENCE.—The sentence of imprisonment imposed on a person convicted of an offense under the Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.), involving methamphetamine or any listed chemical that is defined in section 102(33) of the Controlled Substances Act (21 U.S.C. 802(33), shall, if the offense is committed under the circumstance described in subsection (b), be increased by a consecutive term of imprisonment of not more than 15 years.

(b) CIRCUMSTANCES.—For purposes of subsection (a), the circumstance described in this subsection is that the offense described in subsection (a) was committed by a person who—

(1) was enrolled in, or who was acting on behalf of any person or entity enrolled in, any dedicated commuter lane, alternative or accelerated inspection system, or other facilitated entry program administered or approved by the Federal Government for use in entering the United States; and

(2) committed the offense while entering the United States, using such lane, system, or program.

(c) PERMANENT INELIGIBILITY.—Any person whose term of imprisonment is increased under subsection (a) shall be permanently and irrevocably barred from being eligible for or using any lane, system, or program described in subsection (b)(1).

SEC. 732. MANUFACTURING CONTROLLED SUBSTANCES ON FEDERAL PROPERTY.

Subsection (b) of section 401 of the Controlled Substances Act (21 U.S.C. 841(b)) is amended in paragraph (5) by inserting ''or manufacturing'' after ''cultivating''.

SEC. 733. INCREASED PUNISHMENT FOR METHAMPHETAMINE KINGPINS.

Section 408 of the Controlled Substances Act (21 U.S.C. 848) is amended by adding at the end the following:

''(s) SPECIAL PROVISION FOR METHAMPHETAMINE.—For the purposes of subsection (b), in the case of continuing criminal enterprise involving methamphetamine or its salts, isomers, or salts of isomers, paragraph (2)(A) shall be applied by substituting '200' for '300', and paragraph (2)(B) shall be applied by substituting '$5,000,000' for '$10 million dollars'. ''.

SEC. 734. NEW CHILD-PROTECTION CRIMINAL ENHANCEMENT.

(a) IN GENERAL.—The Controlled Substances Act is amended by inserting after section 419 (21 U.S.C. 860) the following:

''CONSECUTIVE SENTENCE FOR MANUFACTURING OR DISTRIBUTING, OR POSSESSING WITH INTENT TO MANUFACTURE OR DISTRIBUTE, METHAMPHETAMINE ON PREMISES WHERE CHILDREN ARE PRESENT OR RESIDE

''SEC. 419a. Whoever violates section 401(a)(1) by manufacturing or distributing, or possessing with intent to manufacture or distribute, methamphetamine or its salts, isomers or salts of isomers on premises in which an individual who is under the age of 18 years is present or resides, shall, in addition to any other sentence imposed, be imprisoned for a period of any term of years but not more than 20 years, subject to a fine, or both. ''.

(b) CLERICAL AMENDMENT.—The table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by inserting after the item relating to section 419 the following new item:

''Sec. 419a. Consecutive sentence for manufacturing or distributing, or possessing with intent to manufacture or distribute, methamphetamine on premises where children are present or reside.''.

SEC. 735. AMENDMENTS TO CERTAIN SENTENCING COURT REPORTING REQUIREMENTS.

Section 994(w) of title 28, United States Code, is amended—

(1) in paragraph (1)—

(A) by inserting '', in a format approved and required by the Commission,'' after ''submits to the Commission'';

(B) in subparagraph (B)—

(i) by inserting ''written'' before ''statement of reasons''; and

(ii) by inserting ''and which shall be stated on the written statement of reasons form issued by the Judicial Conference and approved by the United States Sentencing Commission'' after ''applicable guideline range''; and

(C) by adding at the end the following:

''The information referred to in subparagraphs (A) through (F) shall be submitted by the sentencing court in a format approved and required by the Commission.''; and

(2) in paragraph (4), by striking ''may assemble or maintain in electronic form that include any'' and inserting ''itself may assemble or maintain in electronic form as a result of the''.

SEC. 736. SEMIANNUAL REPORTS TO CONGRESS.

(a) IN GENERAL.—The Attorney General shall, on a semiannual basis, submit to the congressional committees and organizations specified in subsection (b) reports that—

(1) describe the allocation of the resources of the Drug Enforcement Administration and the Federal Bureau of Investigation for the investigation and prosecution of alleged violations of the Controlled Substances Act involving methamphetamine; and

(2) the measures being taken to give priority in the allocation of such resources to such violations involving—

(A) persons alleged to have imported into the United States substantial quantities of methamphetamine or scheduled listed chemicals (as defined pursuant to the amendment made by section 711(a)(1));

(B) persons alleged to have manufactured methamphetamine; and

(C) circumstances in which the violations have endangered children.

(b) CONGRESSIONAL COMMITTEES.—The congressional committees and organizations referred to in subsection (a) are—

(1) in the House of Representatives, the Committee on the Judiciary, the Committee on Energy and Commerce, and the Committee on Government Reform; and

(2) in the Senate, the Committee on the Judiciary, the Committee on Commerce, Science, and Transportation, and the Caucus on International Narcotics Control.

Subtitle D—Enhanced Environmental Regulation of Methamphetamine Byproducts

SEC. 741. BIENNIAL REPORT TO CONGRESS ON AGENCY DESIGNATIONS OF BY-PRODUCTS OF METHAMPHETAMINE LABORATORIES AS HAZARDOUS MATERIALS.

Section 5103 of title 49, Unites States Code, is amended by adding at the end the following:

''(d) BIENNIAL REPORT.—The Secretary of Transportation shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Senate Committee on Commerce, Science, and Transportation a biennial report providing information on whether the Secretary has designated as hazardous materials for purposes of chapter 51 of such title all by-products of the methamphetamine-production process that are known by the Secretary to pose an unreasonable risk to health and safety or property when transported in commerce in a particular amount and form.''.

SEC. 742. METHAMPHETAMINE PRODUCTION REPORT.

Section 3001 of the Solid Waste Disposal Act (42 U.S.C. 6921) is amended at the end by adding the following:

''(j) METHAMPHETAMINE PRODUCTION.—Not later than every 24 months, the Administrator shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a report setting forth information collected by the Administrator from law enforcement agencies, States, and other relevant stakeholders that identifies the byproducts of the methamphetamine production process and whether the Administrator considers each of the byproducts to be a hazardous waste pursuant to this section and relevant regulations.''.

SEC. 743. CLEANUP COSTS.

(a) IN GENERAL.—Section 413(q) of the Controlled Substances Act (21 U.S.C. 853(q)) is amended—

(1) in the matter preceding paragraph (1), by inserting '', the possession, or the possession with intent to distribute, '' after ''manufacture''; and

(2) in paragraph (2), by inserting '', or on premises or in property that the defendant owns, resides, or does business in'' after ''by the defendant''.

(b) SAVINGS CLAUSE.—Nothing in this section shall be interpreted or construed to amend, alter, or otherwise affect the obligations, liabilities and other responsibilities of any person under any Federal or State environmental laws.

Subtitle E—Additional Programs and Activities

SEC. 751. IMPROVEMENTS TO DEPARTMENT OF JUSTICE DRUG COURT GRANT PROGRAM.

Section 2951 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3797u) is amended by adding at the end the following new subsection:

''(c) MANDATORY DRUG TESTING AND MANDATORY SANCTIONS.—

''(1) MANDATORY TESTING.—Grant amounts under this part may be used for a drug court only if the drug court has mandatory periodic testing as described in subsection (a)(3)(A). The Attorney General shall, by prescribing guidelines or regulations, specify standards for the timing and manner of complying with such requirements. The standards—

''(A) shall ensure that—

''(i) each participant is tested for every controlled substance that the participant has been known to abuse, and for any other controlled substance the Attorney General or the court may require; and

''(ii) the testing is accurate and practicable; and

''(B) may require approval of the drug testing regime to ensure that adequate testing occurs.

''(2) MANDATORY SANCTIONS.—The Attorney General shall, by prescribing guidelines or regulations, specify that grant amounts under this part may be used for a drug court only if the drug court imposes graduated sanctions that increase punitive measures, therapeutic measures, or both whenever a participant fails a drug test. Such sanctions and measures may include, but are not limited to, one or more of the following:

''(A) Incarceration.
''(B) Detoxification treatment.
''(C) Residential treatment.
''(D) Increased time in program.
''(E) Termination from the program.
''(F) Increased drug screening requirements.
''(G) Increased court appearances.
''(H) Increased counseling.
''(I) Increased supervision.
''(J) Electronic monitoring.
''(K) In-home restriction.
''(L) Community service.
''(M) Family counseling.
''(N) Anger management classes.''.

SEC. 752. DRUG COURTS FUNDING.

Section 1001(25)(A) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 2591(25)(A)) is amended by adding at the end the following:

''(v) $70,000,000 for fiscal year 2006.''.

SEC. 753. FEASIBILITY STUDY ON FEDERAL DRUG COURTS.

The Attorney General shall, conduct a feasibility study on the desirability of a drug court program for Federal offenders who are addicted to controlled substances. The Attorney General lower-level, non-violate report the results of that study to Congress not later than June 30, 2006.

SEC. 754. GRANTS TO HOT SPOT AREAS TO REDUCE AVAILABILITY OF METHAMPHETAMINE.

Title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3711 et seq.) is amended by adding at the end the following:

''PART II—CONFRONTING USE OF METHAMPHETAMINE

"SEC. 2996. AUTHORITY TO MAKE GRANTS TO ADDRESS PUBLIC SAFETY AND METHAMPHETAMINE MANUFACTURING, SALE, AND USE IN HOT SPOTS.

''(a) PURPOSE AND PROGRAM AUTHORITY.—

''(1) PURPOSE.—It is the purpose of this part to assist States—

''(A) to carry out programs to address the manufacture, sale, and use of methamphetamine drugs; and

''(B) to improve the ability of State and local government institutions of to carry out such programs.

''(2) GRANT AUTHORIZATION.—The Attorney General, through the Bureau of Justice Assistance in the Office of Justice Programs may make grants to States to address the manufacture, sale, and use of methamphetamine to enhance public safety.

''(3) GRANT PROJECTS TO ADDRESS METHAMPHETAMINE MANUFACTURE SALE AND USE.—Grants made under subsection (a) may be used for programs, projects, and other activities to—

''(A) investigate, arrest and prosecute individuals violating laws related to the use, manufacture, or sale of methamphetamine;

''(B) reimburse the Drug Enforcement Administration for expenses related to the clean up of methamphetamine clandestine labs;

''(C) support State and local health department and environmental agency services deployed to address methamphetamine; and

''(D) procure equipment, technology, or support systems, or pay for resources, if the applicant for such a grant demonstrates to the satisfaction of the Attorney General that expenditures for such purposes would result in the reduction in the use, sale, and manufacture of methamphetamine.

"SEC. 2997. FUNDING.

''There are authorized to be appropriated to carry out this part $99,000,000 for each fiscal year 2006, 2007, 2008, 2009, and 2010.''.

SEC. 755. GRANTS FOR PROGRAMS FOR DRUG-ENDANGERED CHILDREN.

(a) IN GENERAL.—The Attorney General shall make grants to States for the purpose of carrying out programs to provide comprehensive services to aid children who are living in a home in which methamphetamine or other controlled substances are unlawfully manufactured, distributed, dispensed, or used.

(b) CERTAIN REQUIREMENTS.—The Attorney General shall ensure that the services carried out with grants under subsection (a) include the following:

(1) Coordination among law enforcement agencies, prosecutors, child protective services, social services, health care services, and any other services determined to be appropriate by the Attorney General to provide assistance regarding the problems of children described in subsection (a).

(2) Transition of children from toxic or drug-endangering environments to appropriate residential environments.

(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $20,000,000 for each of the fiscal years 2006 and 2007. Amounts appropriated under the preceding sentence shall remain available until expended.

SEC. 756. AUTHORITY TO AWARD COMPETITIVE GRANTS TO ADDRESS METHAMPHETAMINE USE BY PREGNANT AND PARENTING WOMEN OFFENDERS.

(a) PURPOSE AND PROGRAM AUTHORITY.—

(1) GRANT AUTHORIZATION.—The Attorney General may award competitive grants to address the use of methamphetamine among pregnant and parenting women offenders to promote public safety, public health, family permanence and well being.

(2) PURPOSES AND PROGRAM AUTHORITY.—Grants awarded under this section shall be used to facilitate or enhance and collaboration between the criminal justice, child welfare, and State substance abuse systems in order to carry out programs to address the use of methamphetamine drugs by pregnant and parenting women offenders.

(b) DEFINITIONS.—In this section, the following definitions shall apply:

(1) CHILD WELFARE AGENCY.—The term ''child welfare agency'' means the State agency responsible for child and/or family services and welfare.

(2) CRIMINAL JUSTICE AGENCY.—The term ''criminal justice agency'' means an agency of the State or local government or its contracted agency that is responsible for detection, arrest, enforcement, prosecution, defense, adjudication, incarceration, probation, or parole relating to the violation of the criminal laws of that State or local government.

(c) APPLICATIONS.—

(1) IN GENERAL.—No grant may be awarded under this section unless an application has been submitted to, and approved by, the Attorney General.

(2) APPLICATION.—An application for a grant under this section shall be submitted in such form, and contain such information, as the Attorney General, may prescribe by regulation or guidelines.

(3) ELIGIBLE ENTITIES.—The Attorney General shall make grants to States, territories, and Indian Tribes. Applicants must demonstrate extensive collaboration with the State criminal justice agency and child welfare agency in the planning and implementation of the program.

(4) CONTENTS.—In accordance with the regulations or guidelines established by the Attorney General in consultation with the Secretary of Health and Human Services, each application for a grant under this section shall contain a plan to expand the State's services for pregnant and parenting women offenders who are pregnant women and/or women with dependent children for the use of methamphetamine or methamphetamine and other drugs and include the following in the plan:

(A) A description of how the applicant will work jointly with the State criminal justice and child welfare agencies needs associated with the

use of methamphetamine or methamphetamine and other drugs by pregnant and parenting women offenders to promote family stability and permanence.

(B) A description of the nature and the extent of the problem of methamphetamine use by pregnant and parenting women offenders.

(C) A certification that the State has involved counties and other units of local government, when appropriate, in the development, expansion, modification, operation or improvement of proposed programs to address the use, manufacture, or sale of methamphetamine.

(D) A certification that funds received under this section will be used to supplement, not supplant, other Federal, State, and local funds.

(E) A description of clinically appropriate practices and procedures to—

(i) screen and assess pregnant and parenting women offenders for addiction to methamphetamine and other drugs;

(ii) when clinically appropriate for both the women and children, provide family treatment for pregnant and parenting women offenders, with clinically appropriate services in the same location to promote family permanence and self sufficiency; and

(iii) provide for a process to enhance or ensure the abilities of the child welfare agency, criminal justice agency and State substance agency to work together to re-unite families when appropriate in the case where family treatment is not provided.

(d) PERIOD OF GRANT.—The grant shall be a three-year grant. Successful applicants may reapply for only one additional three-year funding cycle and the Attorney General may approve such applications.

(e) PERFORMANCE ACCOUNTABILITY; REPORTS AND EVALUATIONS.—

(1) REPORTS.—Successful applicants shall submit to the Attorney General a report on the activities carried out under the grant at the end of each fiscal year.

(2) EVALUATIONS.—Not later than 12 months at the end of the 3 year funding cycle under this section, the Attorney General shall submit a report to the appropriate committees of jurisdiction that summarizes the results of the evaluations conducted by recipients and recommendations for further legislative action.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

And the Senate agree to the same.

From the Committee on the Judiciary, for consideration of the House bill (except section 132) and the Senate amendment, and modifications committed to conference:

F. JAMES SENSENBRENNER, Jr.,
HOWARD COBLE,
LAMAR SMITH,
ELTON GALLEGLY,
STEVE CHABOT,
WILLIAM L. JENKINS,
DANIEL LUNGREN,

From the Permanent Select Committee on Intelligence, for consideration secs. 102, 103, 106, 107, 109, and 132 of the House bill, and secs. 2, 3, 6, 7, 9, and 10 of the Senate amendment, and modifications committed to conference:

PETE HOEKSTRA,
HEATHER WILSON,

From the Committee on Energy and Commerce, for consideration secs. 124 and 231 of the House bill, and modifications committed to conference:

CHARLIE NORWOOD,
JOHN SHADEGG,

From the Committee on Financial Services, for consideration sec. 117 of the House bill, and modifications committed to conference:

MICHAEL G. OXLEY,
SPENCER BACHUS,

From the Committee on Homeland Security, for consideration secs. 127–129 of the House bill, and modifications committed to conference:

PETER T. KING,
CURT WELDON,
Managers on the Part of the House.

ARLEN SPECTER,
ORRIN HATCH,
JON KYL,
MIKE DEWINE,
JEFF SESSIONS,
PAT ROBERTS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMI1TEE 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. 3199), to extend and modify authorities needed to combat terrorism, 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 Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

Section 1. Short title. Table of contents

The House receded to the Senate on the short title of the Act. The short title is the ''USA PATRIOT Improvement and Reauthorization Act of 2005.''

TITLE I—USA PATRIOT IMPROVEMENT AND REAUTHORIZATION ACT

Section 101. References to, and modification of short title for, USA PATRIOT Act

Section 101 of the conference report is identical to section 101 of the House bill and similar to section 9(d) of the Senate amendment. Section 101 states that references contained within the conference report to the USA PATRIOT Act shall be deemed a reference to Public Law No. 107–56, the ''Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001.''

Section 102. USA PATRIOT Act sunset provisions

Section 102 of the conference report adopts a 4-year sunset on sections 206 and 215 of the USA PATRIOT Act, and makes permanent the other provisions, all of which were set to expire on December 31, 2005. Sections 206 and 215 relate to Foreign Intelligence Court orders for multipoint, or ''roving,'' wiretaps and for business records requested under the Foreign Intelligence Surveillance Act (FISA).

Section 103. Extension of sunset relating to individual terrorists as agents of foreign powers

Section 103 of the conference report extends the sunset of section 6001(b) of the Intelligence Reform and Terrorism Prevention Act (IRTPA) by 4 years so the provision is set to expire on December 31, 2009. Section 6001(b) applied the USA PATRIOT Act sunset to the new definition of ''Agent of a Foreign Power'' under section 6001 of IRTPA. Section 6001 states that an ''Agent of a foreign power'' for any person other than a United States person, includes a person who ''engages in international terrorism or activities in preparation thereof.'' This definition reaches ''lone wolf'' terrorists engaged in international terrorism.

Section 104. Section 2332b and the material support sections of Title 18, United States Code

Section 104 of the conference report is identical to section 104 of the House bill and substantively similar to section 9(c) of the Senate amendment. This section makes section 6603 of the IRTPA permanent by repealing the sunset contained in section 6603(g) of the IRTPA. This sunset would have allowed a criminal offense, and not a law enforcement tool, to expire. Furthermore, this sunset effectively made the underlying provision unconstitutional. Section 6603 of the IRTPA amended the law to address court concerns on the constitutionality of the prohibition of providing material support to terrorists.

Section 105. Duration of FISA surveillance of non-United States persons under section 207 of the USA PATRIOT Act

Section 105 of the conference report is substantively similar to section 106 of the House bill and section 3 of the Senate amendment. This section further extends the maximum duration of orders for electronic surveillance and physical searches targeted against all agents of foreign powers who are not U.S. persons. Initial orders authorizing searches and electronic surveillance will be for periods of up to 120 days and renewal orders will extend for periods of up to one year. Section 105 also extends the maximum duration for both the initial and renewal orders for pen register/trap and trace surveillance to a period of one year in cases where the government certified that the information likely to be obtained is foreign intelligence information not concerning a U.S. person.

Section 106. Access to certain business records under section 215 of the USA PATRIOT Act

Section 106 of the conference report is a compromise between section 107 of the House bill and section 7 of the Senate amendment. This section of the conference report amends section 215 of the USA PATRIOT Act to clarify that the tangible things sought by a section 215 FISA order (''215 order'') must be ''relevant'' to an authorized preliminary or full investigation to obtain foreign intelligence information not concerning a U.S. person or to protect against international terrorism or clandestine intelligence activities. The provision also requires a statement of facts to be included in the application that shows there are reasonable grounds to believe the tangible things sought are relevant, and, if such facts show reasonable grounds to believe that certain specified connections to a foreign power or an agent of a foreign power are present, the tangible things sought are presumptively relevant. Congress does not intend to prevent the FBI from obtaining tangible items that it currently can obtain under section 215.

The provision also clarifies that a recipient of a FISA section 215 production order may challenge that order, and may disclose receipt to a lawyer, other persons necessary to comply with the order, and additional persons approved by the FBI. This provision allows the FBI to request the recipient to identify the individuals to whom disclosure has been or will be made. The provision also makes clear that a judge should approve an application only ''if the judge finds that the [applicable] requirements [of the section] have been met.'' The provision also expressly provides for a judicial review process that authorizes a specified pool of FISA court judges to review a 215 order that has been challenged. The provision requires high-level

approval, and specific congressional reporting, of requests for certain sensitive categories of records, such as library, bookstore, tax return, firearms sales, educational, and medical records. The provision requires promulgation and application of minimization procedures governing the retention and dissemination by the FBI of any tangible thing obtained under this section and requires restrictions on the use of information obtained with an order under this section.

In addition, section 106 directs the Attorney General to draft minimization procedures that apply to information obtained under a FISA ''business records'' order. In the application for the order, the applicant must enumerate the minimization procedures applicable to the retention and dissemination of the tangible things sought by the FBI in the application. Such enumerated procedures should meet the requirements set forth in the definition of minimization procedures found in new subsection (g) of section 501. If the court finds that the enumerated procedures fail to meet the requirements of subsection (g), the Conferees expect that the court will direct that other procedures adopted by the Attorney General be applied to the information sought, consistent with the authority of the court specified in section 501(c)(1), as amended.

Under subsection (g)(1), as amended, the Attorney General is required to adopt minimization procedures within 180 days of the enactment of this Act. Until the Attorney General complies, the Conferees expect that the requirements of subsections (b)(2)(B), (c)(1), and (h) that relate to the adoption of minimization procedures will be viewed as ineffective and, thus, not prevent the use of section 501 to acquire tangible things.

Sec. 106A. Audit on access to certain business records for foreign intelligence purposes

Section 106A of the conference report is a new provision. This section requires that the Department of Justice Inspector General conduct an audit on the effectiveness and use of section 215 and submit an unclassified report of the audit to the House and Senate Committees on the Judiciary and Intelligence.

Section 107. Enhanced oversight of good-faith emergency disclosures under section 212 of the USA PATRIOT Act

Section 107 of the conference report is virtually identical to section 4 of the Senate amendment, but includes some technical corrections to title 18 of the United States Code. Section 108 of the House bill is substantively similar. Section 107 of the conference report amends 18 U.S.C. §2702, as amended by section 212 of the USA PATRIOT Act. Section 212 allows Internet service providers to disclose voluntarily the contents of electronic communications, as well as subscriber information, in emergencies involving immediate danger of death or serious physical injury. To address concerns that this authority, in certain circumstances, is not subject to adequate congressional, judicial, or public oversight (particularly in situations where the authority is used but criminal charges do not result) the conference report requires the Attorney General to report annually to the Judiciary Committees of the House and Senate and to set forth the number of accounts subject to section 212 disclosures. The report also must summarize the basis for disclosure in certain circumstances. The Conferees believe this will strengthen oversight on the use of this authority without undermining important law enforcement prerogatives and without alerting perpetrators, while simultaneously preserving the vitality of this life-saving authority.

Section 108. Multipoint electronic surveillance under section 206 of the USA PATRIOT Act

Section 108 of the conference report is a compromise between section 109 of the House bill and section 2 of the Senate amendment. Section 206 of the USA PATRIOT Act enabled the use of multipoint, or ''roving,'' wiretaps in FISA investigations. The conference report clarifies that the FISA court must find that the possibility of the target thwarting surveillance is based on specific facts in the application. This is reflected in language contained in section 109(a) of the House bill and for which the Senate amendment did not have a comparable provision. In language derived from section 2(a) of the Senate amendment and for which the House bill had no comparable provision, the conference report also requires that the order describe the specific target in detail when authorizing a roving wiretap for a target whose identity is not known. The conference report requires that in the event the government begins directing surveillance at a new facility or place where the nature and location of each of the facilities or places was unknown at the time the surveillance order was issued, the government must notify the issuing FISA court on an ongoing basis for all multipoint surveillance authority, which addresses concerns of some that the open-ended authorization to surveil new locations could be abused. The conference report provisions provide further protections by including an extra layer of judicial review and to ensure that intelligence investigators will not abuse the multipoint authority. This approach is superior in the FISA context (where surveillance is often long-running and subject to extensive and sophisticated counter-surveillance measures) to a proximity test or ascertainment requirement, both of which could potentially endanger an investigation or field agents conducting the investigation.

Section 109. Enhanced congressional oversight

Section 109 of the conference report is similar to section 10 of the Senate amendment, but with an additional new provision. Section 109 of the conference report is identical to section 10 of the Senate amendment and requires: (1) the FISA court to publish its rules; and (2) reporting to the House and Senate Judiciary Committees of the use of the emergency employments of electronic surveillance, physical searches, and pen register and trap and trace devices. Section 109(c) of the conference report also requires that the Secretary of the Department of Homeland Security submit a written report providing a description of internal affairs operations at U.S. Citizenship & Immigration Services to the Judiciary Committees of the House and the Senate.

Section 110. Attacks against railroad carriers and mass transportation systems

The conference report is substantively similar to sections 110, 115, and 304 of the House bill. There are no equivalent provisions in the Senate amendment, but section 110 of the conference report is substantively similar to S. 629, the ''Railroad Carriers and Mass Transportation Act of 2005,'' which was reported favorably by the Senate Judiciary Committee. Section 110 of the conference report amends 18 U.S.C. §1993, which was created by the USA PATRIOT Act to protect against terrorist attacks and other acts of violence against mass transportation systems. However, current law does not cover the planning for such attacks. The conference report closes this loophole to make it a crime to ''surveil, photograph, videotape, diagram, or to otherwise collect information with the intent to plan or assist in planning any of the acts described'' in paragraphs (1)–(5) of section 1993(a). It also harmonizes section 1993 with 18 U.S.C. §1992 (which criminalizes the ''wrecking of trains''), in order to eliminate the inconsistency between the intent standard in the mass transportation statute and the intent standard in the wrecking trains statute. It also strengthens the protection of mass transportation and railroad systems by: expanding the types of railroad property and equipment that are explicitly protected by Federal law; updating the definition of ''dangerous weapons'' to cover box cutters and other previously unrecognized weapons; and expanding the types of prohibited attacks to include causing the release of a hazardous material, a biological agent, or toxin near the property of a railroad carrier or mass transportation system. The conference report restricts the death penalty against inchoate offenses, but retains the death penalty for aggravated offenses. The section also expands coverage of the criminal offense to include passenger vessels (as defined in 46 U.S.C. §2101(22)).

Section 111. Forfeiture

Section 111 of the conference report is identical to section 111 of the House bill. There is no comparable section in the Senate amendment. The USA PATRIOT Act amended 18 U.S.C. §981 to expressly provide that any property used to commit or facilitate the commission of, derived from, or otherwise involved in a Federal crime of terrorism (as defined in 18 U.S.C. §2331) is subject to civil forfeiture provisions. Prior to the USA PATRIOT Act, only the ''proceeds'' of a crime of terrorism were subject to civil forfeiture provisions. This section extends forfeiture to include property used in or derived from ''trafficking in nuclear, chemical, biological, or radiological weapons technology or material.''

Section 112. Section 2332b(g)(5)(B) amendments relating to the definition of Federal crime of terrorism

Section 112 of the conference report is substantively similar to section 112 of the House bill but includes an additional offense. There is no comparable provision in the Senate amendment. This section amends the current definition of ''Federal crime of terrorism,'' to include new predicate offenses. It also includes a clerical correction to 18 U.S.C. §2332b(g)(S)(B).

Section 113. Amendments to section 2516(1) of Title 18, United States Code

Section 113 of the conference report is substantively similar to sections 113 and 122 of the House bill, but includes additions. 18 U.S.C. §§2510–2522 require the government, unless otherwise permitted, to obtain an order of a court before conducting electronic surveillance. The government is permitted to seek such orders only in connection with the investigation of the criminal offenses enumerated in 18 U.S.C. §2516. The USA PATRIOT Act added new wiretap offenses related to terrorism. Section 113 adds new ''wiretap predicates'' under 18 U.S.C. §2516, which relate to crimes of terrorism. Those predicates include 18 U.S.C. §§37 (violence at international airports); 43 (animal enterprise terrorism); 81 (arson within special maritime and territorial jurisdiction); 175b (biological agents); 832 (nuclear and weapons of mass destruction threats); 842 (explosive materials); 930 (possession of weapons in Federal facilities); 956 (conspiracy to harm persons or property overseas); 1028A (aggravated identity theft); 1114 (killing Federal employees); 1116 (killing certain foreign officials); 1993 (attacks of mass transit); 2340A (torture); 2339 (harboring terrorists); 2339D (terrorist military training); and 5324 (structuring transactions to evade reporting requirements). In addition to these sections, new

predicates are added under 49 U.S.C. §§46504 (assault on a flight crew member with a dangerous weapon); and 46505(b)(3) or (c) (certain weapons offenses aboard an aircraft).

Section 114. Delayed notice search warrants

Section 114 of the conference report is a compromise between sections 114 and 121 of the House bill and section 5 of the Senate amendment. Contrary to reports; the USA PATRIOT Act did not create delayed notice search warrants, but rather codified existing case law governing delayed notices for search warrants. Delayed notice simply means that a court has expressly authorized investigators to delay temporarily notifying a subject that a search warrant has been executed (*i.e.*, a court-ordered search has occurred). The search warrant itself is the same regardless of when the subject receives notice. Thus, before a search warrant is issued, whether notice is or is not delayed, a Federal judge must find that there is probable cause to believe that a crime has been or is about to be committed and that evidence of that crime or the fruits or instrumentalities of that crime will be found at the location to be searched. As the Department of Justice explained in an August 29, 2005 letter (p. A–5), ''Delayed notice search warrants have been available for decades and were in use long before the USA PATRIOT Act was enacted. Section 213 of the USA PATRIOT Act merely created a nationally uniform process and standard for obtaining them.''

Section 213 codified the established standard of reasonableness for delayed notice search warrants, which previously had been the cause for some to express concern about this indefinite term. Both the House bill in section 114, and the Senate amendment in section 5, placed a maximum specified limit on the length of time in which a judge could authorize law enforcement to delay notice to the subject that a search has been conducted. The House provision provided that the court maintains the discretion to delay notice for up to 180 days with extensions of up to 90 days. The Senate amendment limited the delay to ''not later than 7 days after the date of its execution, or on a later date certain if the facts of the case justify a longer period of delay, with extensions of up to 90 days unless the facts justify longer.'' The conference report reflects a compromise between the House and Senate provisions to define a reasonable delay as up to 30 days for an initial request, or on a later date certain if the facts justify, and extensions of up to 90 days unless the facts justify longer.

Section 115. Judicial review of national security letters

Section 115 of the conference report is substantively similar to section 116 of the House bill and section 8 of the Senate amendment. This section makes explicit that the recipient of a national security letter (NSL) may consult with an attorney and challenge the NSL in court. This section of the conference report amends NSL authority under 18 U.S.C. §2709, 15 U.S.C. §1681u, 15 U.S.C. §1861v, 12 U.S.C. §3414, and 50 U.S.C. §436, in a similar manner to the House bill. The Senate amendment only modified 18 U.S.C. §2709. The conference report: provides that the recipient of an NSL may petition for an order modifying or setting aside the request in the U.S. district court for the district in which that person or entity does business or resides; allows the government to move for judicial enforcement of the NSL in the event of non-compliance by recipients; and allows the court to impose sanctions for contempt of court if a recipient fails to comply with a court order to enforce an NSL.

Section 116. Confidentiality of national security letters

Section 116 of the conference report is substantively similar to section 117 of the House bill and section 8 of the Senate amendment. This section provides that upon certification by an individual authorized to issue an NSL, should the disclosure endanger any individual or national security, or interfere with diplomatic relations or a criminal or intelligence investigation, then the disclosure of the NSL is prohibited. This section allows for the disclosure to those necessary to comply with an NSL or obtain legal advice or assistance with respect to an NSL. If the recipient makes this further disclosure as authorized by law, the recipient must then notify the person or persons of all applicable nondisclosure requirements. At the request of the Director of National Intelligence, the conference report includes language that allows the Director of the Federal Bureau of Investigation, or the designee of the Director, to request from any person making or intending to make a disclosure to comply with or to receive legal advice or legal assistance, to identify to whom such disclosure will be made. The language does not allow the FBI Director or designee of the Director to request the recipient of an NSL disclose the name of an attorney to whom such disclosure will be made. The provision, however, does allow the FBI Director or designee of the Director to make such a request for the name of an attorney to whom disclosure has already been made. The conference report clarifies that a recipient of an NSL may challenge any nondisclosure requirement in court. If a petition is filed within 1 year of issuance of an NSL, the court may modify or set aside such a nondisclosure requirement if it finds that there is no reason to believe that disclosure may harm national security; interfere with criminal, counterintelligence, or counterterrorism investigations; interfere with diplomatic relations; or endanger the life or physical safety of a person. If, upon filing the petition, a high-ranking official re-certifies that disclosure may endanger national security or interfere with diplomatic relations, the court must treat the re-certification as conclusive unless there is a showing of bad faith. If a petition is filed after a year, a specific official, within 90 days of the filing of the petition, shall either terminate the nondisclosure requirement or re-certify that nondisclosure may: result in danger to the national security of the U.S.; interfere with a criminal, counterterrorism, or counterintelligence investigation; interfere with diplomatic relations; or endanger the life or physical safety of any person. In the event of re-certification, the court again may modify or set aside such a nondisclosure requirement only upon a finding of bad faith. The petitioner is barred from seeking review of the nondisclosure requirement for one year if the petition was denied, but can continue to petition every year. This provision recognizes that the Executive branch is both constitutionally and practically better suited to make national security and diplomatic relations judgments than the judiciary.

Section 117. Violations of nondisclosure provisions of national security letters

This section of the conference report is similar to section 118 of the House bill. There is no comparable provision in the Senate amendment. This section provides for a felony charge against an individual who was notified of an applicable nondisclosure requirement and nonetheless knowingly and with intent to obstruct an investigation or judicial proceeding, violates that nondisclosure order. The criminal penalties under 18 U.S.C. §1510 include up to five years imprisonment, a fine, or both. Current law contains no penalties for such violations.

Section 118. Reports on national security letters

Section 118 of the conference report is similar to section 119 of the House bill, with some additional reporting requirements that are similar to provisions contained in the Senate amendment. This section requires reporting to the House and Senate Judiciary Committees on all NSLs, similar to reporting that the Intelligence Committees receive. This section also requires that the Attorney General submit to Congress the annual aggregate number of requests made concerning different U.S. persons. Such reporting will permit the public to see some of the same data Congress sees in conducting its oversight responsibilities of the DOJ. Due to the manner in which this data is currently collected, Congress understands that current reporting may somewhat overstate the number of different U.S. persons about whom requests for information are made, because NSLs seeking information on a particular person may be served at different times and from different FBI field offices. In order to report a number to Congress that is as meaningful as possible, Congress anticipates that the DOJ will undertake reasonable efforts to modify its data collection. Congress, however, does not anticipate that the DOJ will undertake costly or bureaucratically difficult steps to prepare this report.

Section 119. Enhanced oversight of national security letters

Section 119 is a new section that requires the Inspector General of DOJ to conduct an audit of the effectiveness and the use of the NSL authority. The report will detail the specific functions and particular characteristics of the NSLs issued and comment on the necessity of this law enforcement tool. This report will be submitted to the House and Senate Committees on the Judiciary and Intelligence one year after the enactment of the conference report.

Section 120. Definition for forfeiture provisions under section 806 of the USA PATRIOT Act

Section 120 of the conference report is substantively similar to section 120 of the House bill. There is no comparable provision in the Senate amendment. This provision replaces the reference to the broad definition under 18 U.S.C. §2331 with the definition of a Federal crime of terrorism for asset forfeiture under 18 U.S.C. §981(a)(1)(G).

Section 121. Penal provisions regarding trafficking in contraband cigarettes or smokeless tobacco

Section 121 of the conference report is substantively similar to section 123 of the House bill. There is no comparable provision in the Senate amendment. This section of the conference report amends the Contraband Cigarette Trafficking Act (''CCTA,'' 18 U.S.C. §§2341 et seq.), which makes it unlawful for any person knowingly to ship, possess, sell, distribute or purchase contraband cigarettes. This section amends the CCTA by: (1) extending its provisions to cover contraband smokeless tobacco; (2) reducing the number of cigarettes that trigger application of the CCTA from 60,000 to 10,000; (3) imposing reporting requirements on persons, except for tribal governments, who engage in delivery sales of more than 10,000 cigarettes or 500 single-unit cans or packages of smokeless tobacco in a single month; (4) requiring the destruction of cigarettes and smokeless tobacco seized and forfeited under the CCTA; and (5) authorizing State and local governments, and certain persons who hold Federal tobacco permits, to bring causes of action against violators of the CCTA. It also amends section 2344(c), the contraband cigarette forfeiture provisions, by adding ''contraband smokeless tobacco'' to items subject to forfeiture and by removing the reference

to the Internal Revenue Code, which became outdated after the enactment of the Civil Asset Forfeiture Reform Act of 2000.

Section 122. Prohibition of narco-terrorism

Section 122 of the conference report is substantively similar to section 124 of the House bill. There is no comparable provision in the Senate amendment. This section adds new section 1010A to Part A of the Controlled Substance Import and Export Act, (21 U.S.C. §§951 et seq.), making it a Federal crime to engage in drug trafficking to benefit terrorists. The conference report changes the mandatory minimum penalty from the 20 years provided in the House bill to simply twice the minimum under 21 U.S.C. §841(b). Finally, the conference report modifies the proof requirements of the House-passed bill to clarify that a person must have knowledge that the person or organization has engaged or engages in terrorist activity or terrorism.

Section 123. Interfering with the operation of an aircraft

Section 123 of the conference report is substantively similar to section 125 of the House bill. There is no comparable provision in the Senate amendment. This section amends 18 U.S.C. §32, which prohibits the destruction of aircraft or aircraft facilities, to address the increasing number of reports to the Federal Aviation Administration of the intentional aiming of lasers into airplane cockpits. The amendment makes it illegal to interfere with or disable a pilot or air navigation facility operator with the intent to endanger the safety of any person or with reckless disregard for the safety of human life.

Section 124. Sense of Congress relating to lawful political activity

Section 124 of the conference report is substantively similar to section 126 of the House bill. There is no comparable provision in the Senate amendment. This sense of the Congress articulates that no American citizen should be the target of a criminal investigation solely as a result of that person's lawful political activity or membership in a nonviolent political organization. During the many congressional hearings held on the PATRIOT Act, both in open and classified settings, there has been absolutely no evidence adduced that the Department of Justice or the FBI has used the powers conferred by law to investigate anyone based on his or her participation in the political process.

Section 125. Removal of civil liability barriers that discourage the donation of fire equipment to volunteer fire companies

Section 125 of the conference report is substantively similar to section 131 of the House bill. There is no comparable provision in the Senate amendment. This section establishes immunity from civil liability (other than for gross negligence or intentional misconduct) for anyone other than a fire equipment manufacturer who donates fire equipment to volunteer fire companies.

Section 126. Report on data-mining activities

Section 126 of the conference report is similar to section 132 of the House bill. There is no comparable provision in the Senate amendment. This section instructs the Attorney General to report to Congress on Department of Justice use or development of pattern-based data-mining technology.

Section 127. Sense of Congress

Section 127 of the conference report is substantively similar to section 133 of the House bill. There is no comparable provision in the Senate amendment. This section is a sense of the Congress that the victims of terrorist attacks should have access to the assets of terrorists.

Section 128. PATRIOT section 214; authority for disclosure of additional information in connection with orders for pen register and trap and trace authority under FISA

Section 128 of the conference report is substantively identical to section 6 of the Senate amendment. There is no comparable provision in the House bill. This section requires: (1) an ex-parte order for a pen register or trap and trace device for foreign intelligence purposes to direct the provider, upon the applicant's request, to disclose specified information to the Federal officer using the device; and (2) the Attorney General to fully inform the House and Senate Judiciary Committees regarding the use of such devices.

TITLE II—TERRORIST DEATH PENALTY ENHANCEMENT

Section 201. Short title

The short title is the ''Terrorist Death Penalty Enhancement Act of 2005.'' Section 201 of the conference report is identical to section 201 of the House bill. There is no comparable provision in the Senate amendment.

SUBTITLE A—TERRORIST PENALTIES ENHANCEMENT ACT

Section 211. Death penalty procedures for certain air piracy cases occurring before enactment of the Federal Death Penalty Act of 1994

This section is the same as section 213 of the House bill, except for the addition of a severability clause. There is no comparable provision in the Senate amendment. Section 211 of the conference report provides procedures for death penalty prosecutions for air piracy crimes occurring before the 1994 Federal Death Penalty Act, provided that the government establishes the existence of one or more factors under former 49 U.S.C. §46503(c)(2), or its predecessor, and that the defendant has not established by a preponderance of the evidence the existence of any of the factors set forth in former 49 U.S.C. §46503(c)(1), or its predecessor. This section makes the 1994 procedures applicable to post-1974, and pre-1994 air piracy murder cases.

Section 211 of the conference report would permit the imposition of the death penalty upon an individual convicted of air piracy offenses resulting in death where those offenses occurred after enactment of the Antihijacking Act of 1974 but before the enactment of the Federal Death Penalty Act of 1994. This provision would cover a small, but important category of defendants, including those responsible for the December 1984 hijacking of Kuwait Airways flight 221 and the murder of two American United States Agency for International Development employees, William Stanford and Charles Hegna; the June 1985 hijacking of TWA flight 847 and the murder of Navy diver Robert Stethem; the November 1985 hijacking of Egyptair flight 648 and the murder of American servicewoman Scarlett Rogenkamp as well as 56 other passengers; and the September 1986 hijacking of Pan Am flight 73 and the murder of American citizens Rajesh Kumar and Surendra Patel, as well as at least 19 other passengers and crew.

Section 211 is important to reaffirm the intent of Congress to have available the ultimate penalty to use against aircraft hijackers whose criminal actions result in death. In 1974, Congress enacted the Antihijacking Act, making the crime of air piracy the one and only crime under Federal law for which Congress passed comprehensive procedures, in response to *Furman* v. *Georgia*, 408 U.S. 238 (1972), to ensure that the death penalty could be constitutionally enforced. Over the years after the passage of the Antihijacking Act of 1974, the crime of air piracy was repeatedly cited by Members of Congress and the Executive Branch as an example of a crime for which Congress had enacted the necessary constitutional provisions to enforce the death penalty. In 1994, in an effort to make the death penalty widely available for numerous Federal offenses, and to enact uniform procedures to apply to all Federal capital offenses, Congress passed the Federal Death Penalty Act of 1994 (''FDPA''), explicitly including air piracy procedures among the list of crimes to which it applied, at the same time repealing the former death penalty procedures of the Antihijacking Act of 1974.

The problem with this legal development is that there is a perceived gap in legislative intent to maintain the option of a death penalty for those who committed air piracy resulting in death before enactment of the FDPA. On September 29, 2001, the United States obtained custody of Zaid Hassan Abd Latif Safarini, the operational leader of the deadly attempted hijacking of Pan Am flight 73, a crime which occurred on September 5, 1986, in Karachi, Pakistan, and which resulted in the death of at least 20 people, including two United States citizens, and the injury of more than 100 others. Safarini personally executed the first United States citizen and after a 16-hour stand-off, he and his fellow hijackers opened fire on approximately 380 passengers and crew on board Pan Am 73, attempting to kill all of them with grenades and assault rifles. Safarini and his co-defendants had been indicted by a grand jury in the District of Columbia in 1991, and after his capture in 2001, the prosecutors filed papers stating the government's intention to seek the death penalty against Safarini. The district court, however, ruled that the government could not seek the death penalty in this case or, by implication, in any other air piracy case from the pre-FDPA period, essentially because Congress had not made clear which procedures should apply to such a prosecution. In its ruling, the court noted that, at the time it passed the FDPA in 1994, Congress did not state any intention as to whether the new capital sentencing procedures should be applied to air piracy offenses occurring before enactment of the FDPA. A further complication exists, in that there are two provisions of the Antihijacking Act of 1974 that, if taken away from pre-FDPA air piracy defendants, could pose ex post facto concerns in light of *Ring* v. *Arizona*, 536 U.S. 584 (2002). Safarini has since pled guilty to the charged offenses and was sentenced, pursuant to a plea agreement, to three life terms plus twenty-five years imprisonment.

Section 211 addresses the issues identified by the district court in the Safarini case by explicitly stating that Congress intends for the provisions of the FDPA to apply to this category of defendants, while also explicitly preserving for such defendants the two provisions of the Antihijacking Act to which they are arguably constitutionally entitled, concerning the statutory aggravating and mitigating circumstances set forth in the Antihijacking Act.

This provision is particularly important for several other reasons. In the absence of a death penalty that could be implemented for pre-FDPA hijacking offenses resulting in death that also occurred before the effective date of the Sentencing Guidelines on November 1, 1987, the maximum penalty available would be life imprisonment. Under the pre-Sentencing Guidelines structure, even prisoners sentenced to life imprisonment were eligible for a parole hearing after serving only ten years. While there is a split in the Circuit Courts of Appeals as to whether a sentencing judge can impose a sentence that

could avert the 10-year parole hearing requirement, the current position of the Bureau of Prisons is that a prisoner is eligible for a parole hearing after serving ten years of a life sentence. Even if parole is denied on that first occasion, such prisoners are entitled to have regularly scheduled parole hearings every two years thereafter. Moreover, in addition to parole eligibility after ten years, the old sentencing and parole laws incorporated a presumption that even persons sentenced to life imprisonment would be released after no more than 30 years.

In the context of the individuals responsible for the hijacking incidents described above, most of the perpetrators were no older than in their twenties when they committed their crimes. The imposition of a pre-Guidelines sentence of life imprisonment for these defendants means that many, if not all of them, could be expected to be released from prison well within their lifetime. Given the gravity of these offenses, coupled with the longstanding Congressional intent to have a death penalty available for the offense of air piracy resulting in death, such a result would be at odds with the clear directive of Congress.

Section 211 includes a severability clause that would establish that if any provision of the Act or the application thereof to any person or circumstance is held invalid by a court of law, the remainder of Section 211 and the application of such provision to other persons or circumstances shall not be affected by that declaration of invalidity. The inclusion of this severability clause means that the unaffected portions of the law would remain operable.

Section 212. Postrelease supervision of terrorists

This section is substantively similar to section 215 of the House bill. There is no comparable provision in the Senate amendment. Section 212 of the conference report expands the scope of the individuals covered by the post-release supervision provisions for terrorists.

SUBTITLE B—FEDERAL DEATH PENALTY PROCEDURES

Section 221. Elimination of procedures applicable only to certain Controlled Substances Act cases

This section retains a portion of section 231 of the House bill. There is no comparable provision in the Senate amendment. The conference report eliminates duplicative death procedures under title 21 of the United States Code, and consolidates procedures governing all Federal death penalty prosecutions in existing title 18 of the United States Code, thereby eliminating confusing requirements that trial courts provide two separate sets of jury instructions in certain Federal death penalty prosecutions.

Section 222. Counsel for financially unable defendants

Section 222 of the conference report is a new provision. This section transfers existing statutes from the death penalty procedures contained in title 21 of the United States Code to the death penalty procedures in title 18 of the United States Code. This section requires that any death-penalty eligible defendant who is or becomes financially unable to obtain adequate representation or investigative, expert, or other reasonably necessary services will be entitled to the appointment of one or more attorneys and the furnishing of such other services.

TITLE III—REDUCING CRIME AND TERRORISM AT AMERICA'S SEAPORTS

Section 301. Short title

This section designates the short title as the ''Reducing Crime and Terrorism at America's Seaports Act of 2005.'' Section 301 of the conference report is identical to section 301 of the House bill. There is no comparable provision in the Senate amendment, but this section is similar to S. 378, the ''Reducing Crime and Terrorism at America's Seaports Act of 2005,'' which was reported favorably by the Senate Committee on the Judiciary on April 21, 2005.

Section 302. Entry by false pretenses to any seaport

Section 302 of the conference report is substantively similar to section 302 of the House bill and the parallel section in S. 378. There is no comparable provision in the Senate amendment. According to the Report of the Interagency Commission on Crime and Security at U.S. Seaports (hereinafter ''Interagency Commission Report''), ''[c]ontrol of access to the seaport or sensitive areas within the seaport is often lacking.'' Such unauthorized access is especially problematic, because inappropriate controls may result in the theft of cargo and, more dangerously, undetected admission of terrorists. In addition to establishing appropriate physical, procedural, and personnel security for seaports, it is important that U.S. criminal law adequately reflect the seriousness of the offense. This section clarifies that 18 U.S.C. §1036 (fraudulent access to transport facilities) includes seaports and waterfronts within its scope, and increases the penalties for violating these provisions from a maximum of 5 years to 10 years.

Section 303. Criminal sanctions for failure to heave to, obstruction of boarding, or providing false information

Section 303 of the conference report is substantively similar to section 303 of the House bill and the parallel section in S. 378. A core function of the United States Coast Guard is law enforcement at sea, especially in the aftermath of the tragic events of September 11, 2001. While the Coast Guard has authority to use whatever force is reasonably necessary to require a vessel to stop or be boarded, ''refusal to stop,'' by itself, is not currently a crime. This section amends title 18 of the United States Code to make it a crime: (1) for a vessel operator knowingly to fail to slow or stop a ship once ordered to do so by a Federal law enforcement officer; (2) for any person on board a vessel to impede boarding or other law enforcement action authorized by Federal law; or (3) for any person on board a vessel to provide false information to a Federal law enforcement officer. Any violation of this section will be punishable by a fine and/or imprisonment for a maximum term of 5 years.

Section 304. Criminal sanctions for violence against maritime navigation, placement of destructive devices

Section 304 of the conference report is substantively similar to section 305 of the House bill, and excludes the malicious dumping provisions contained in S. 378. The Coast Guard maintains over 50,000 navigational aids on more than 25,000 miles of waterways. These aids, which are relied upon by all commercial, military, and recreational mariners, are essential for safe navigation and, therefore, are inviting targets for terrorists. To deter any such intentional interference, this section amends 18 U.S.C. §2280(a) (violence against maritime navigation) to make it a crime to intentionally damage or tamper with any maritime navigational aid maintained by the Coast Guard or under its authority, if such act endangers the safe navigation of a ship. In addition, this section amends title 18 of the United States Code to make it a crime to knowingly place in waters any device that is likely to damage a vessel or its cargo, interfere with a vessel's safe navigation, or interfere with maritime commerce. Any violation of this provision will be punishable by a fine and/or a maximum term of imprisonment for life, and if death results, an offense could be punishable by a sentence of death.

Section 305. Transportation of dangerous materials and terrorists

Section 305 of the conference report is substantively similar to section 306 of the House bill and the parallel provision in S. 378, but adopts the intent requirements as specified in S. 378. The section makes it a crime to knowingly and intentionally transport aboard any vessel an explosive, biological agent, chemical weapon, or radioactive or nuclear materials, knowing that the item is intended to be used to commit a terrorist act. Any violation of this provision will be punishable by a fine and a maximum prison term of life and, if death results, the offense could be punished by a sentence of death.

Section 306. Destruction of, or interference with, vessels or maritime facilities

Section 306 of the conference report is substantively similar to section 307 of the House bill and the parallel provision in S. 378. This section makes it a crime to: (1) damage or destroy a vessel or its parts, a maritime facility, or any apparatus used to store, load or unload cargo and passengers; (2) perform an act of violence against or incapacitate any individual on a vessel, or at or near a facility; or (3) knowingly communicate false information that endangers the safety of a vessel. Any violation of this section (including attempts and conspiracies) will be punished by a fine and/or imprisonment for a maximum of 20 years; if death results, the offense could be punished by a sentence of death. If an individual threatens to carry out the above-described offense, and has the apparent will and determination to carry out the threat, that threat is punishable by a fine and/or imprisonment for a maximum of 5 years. The offender also will be liable for all costs incurred as a result of the threat. This section also subjects any individual who knowingly conveys false information about the offenses described above (or other named offenses) to a civil penalty up to $5,000. In addition, knowingly conveying false information concerning an attempted violation of this section or of chapter 11 of title 18 will be punishable by a maximum of 5 years imprisonment. This section harmonizes the somewhat outdated maritime provisions with the existing criminal sanctions for destruction or interference with an aircraft or aircraft facilities in 18 U.S.C. §§32, 34, and 35.

Section 307. Theft of interstate or foreign shipments or vessels

This section is similar to section 308 of the House bill and the parallel provision in S. 378, except the conference report does not maintain the increased criminal penalties that were included in the House bill. The Interagency Commission Report found that certain existing statutes, regulations, and sentencing guidelines do not provide sufficient sanctions to deter criminal or civil violations related to a range of offenses, including theft of interstate or foreign shipments. In an effort to close statutory gaps and increase the criminal penalty, this section expands the scope of section 18 U.S.C. §659 (theft of interstate or foreign shipments) to include theft of goods from additional transportation facilities or instruments, including trailers, cargo containers, and warehouses. In addition, the section increases the penalties for theft of goods from a maximum of 10 years to a maximum of 15 years imprisonment, and for amounts less than $1000, the punishment will be increased from a maximum of 1 year to a maximum of 3 years imprisonment. The section clarifies that, under

18 U.S.C. §659, the determination of whether goods are ''moving as an interstate or foreign shipment'' is made by considering the entire cargo route, regardless of any temporary stop between the point of origin and final destination. Finally, the section requires an annual report of law enforcement activities relating to cargo theft and requires collection and reporting by the FBI of cargo theft crimes.

Section 308. Stowaways on vessels or aircraft

Section 308 of the conference report is similar to section 310 of the House bill. It is similar to the parallel provision in S. 378, though the conference report includes a death penalty that was not part of the Senate amendment. The section increases the maximum penalty for a violation of 18 U.S.C. §2199 (stowaways on vessels or aircraft) from 1 year to 5 years imprisonment. If the act is committed with the intent to commit serious bodily injury and serious bodily injury occurs, it will be punishable by a fine and a maximum of 20 years imprisonment. If death results, it will be punishable by death or life imprisonment.

Section 309. Bribery affecting port security

This section is substantively similar to section 311 of the House bill and the parallel provision of S. 378. Section 309 of the conference report makes it a crime to knowingly, and with the intent to commit international or domestic terrorism, bribe a public official to affect port security; or to receive a bribe in return for being influenced in public duties affecting port security, knowing that such influence will be used to commit, or plan to commit, an act of terrorism. A violation of this section is punishable by a maximum term of 15 years imprisonment.

Section 310. Penalties for smuggling goods into the United States

Section 310 of the conference report is substantively identical to section 312 of the House bill. There is no comparable provision in the Senate amendment. This section increases the penalty for violations of 18 U.S.C. §545 (smuggling) from imprisonment for not more than 5 years to imprisonment for not more than 20 years.

Section 311. Smuggling goods from the United States

Section 311 of the conference report is substantively identical to section 313 of the House bill. There is no comparable provision in the Senate amendment. This section creates a new criminal offense for illegally smuggling goods from the United States and establishes a maximum penalty of 10 years imprisonment.

TITLE IV—COMBATING TERRORISM FINANCING

Section 401. Short title

The short title is ''Combating Terrorism Financing Act of 2005.'' Section 401 of the conference report is identical to section 401 of the House bill. There is no comparable provision in the Senate amendment.

Section 402. Increased penalties for terrorism financing

Section 402 of the conference report is substantively similar to section 402 of the House bill. There is no comparable provision in the Senate amendment. Currently, penalties for violating the International Emergency Economic Powers Act (IEEPA) are not commensurate with terrorist financing violations. This section amends section 206 of IEEPA (50 U.S.C. §1705) to increase the civil penalty from $10,000 to $50,000 per violation and to increase the criminal penalty from 10 years imprisonment to 20 years imprisonment with the maximum criminal fine remaining the same.

Section 403. Terrorism-related specified activities for money laundering

Section 403 of the conference report is substantively similar to section 403 of the House bill. There is no comparable provision in the Senate amendment. Under current law, a number of activities that terrorist financiers undertake are not predicates for purposes of the Federal money laundering statute, 18 U.S.C. §1956. Key among those activities is operating an illegal money transmitting business, including ''hawala'' networks, which terrorists and their sympathizers often use to transfer funds to terrorist organizations abroad. This section adds three terrorism-related provisions to the list of specified unlawful activities that serve as predicates for the money laundering statute. Subsection(a) adds as a RICO predicate the offense in 18 U.S.C. §1960 (relating to illegal money transmitting businesses), which has the effect of making this offense a money laundering predicate through the cross-reference in 18 U.S.C. §1956(c)(7)(A). Subsection(b) directly adds as money laundering predicates the new terrorist-financing offense in 18 U.S.C. §2339C.

Sec. 404. Assets of persons committing terrorist acts against foreign countries or international organizations

Section 404 of the conference report is substantively similar to section 404 of the House bill. There is no comparable provision in the Senate amendment. The USA PATRIOT Act enacted a new forfeiture provision codified at 18 U.S.C. §981(a)(1)(G) pertaining to the assets of any person planning or perpetrating an act of terrorism against the United States. Section 404 of the conference report adds a parallel provision pertaining to the assets of any person planning or perpetrating an act of terrorism against a foreign state or international organization. Where the property sought for forfeiture is located outside the United States, an act in furtherance of planning or perpetrating the terrorist act must have occurred within the jurisdiction of the United States.

Sec. 405. Money laundering through hawalas

Section 405 of the conference report is substantively similar to section 405 of the House bill. There is no comparable provision in the Senate amendment. This section outlaws any ''dependent transactions'' relating to a money laundering transaction. Terrorist financing and money laundering can be mutually exclusive, but many times they go hand-in-hand. As reported in the National Money Laundering Strategy (NMLS), ''both depend on the lack of transparency and vigilance in the financial system. Money laundering requires the existence of an underlying crime, while terrorist financing does not. Methods for raising funds to support terrorist activities may be legal or illegal. Also, the objective of money laundering investigations is prosecution and forfeiture. Terrorist financing investigations share these objectives; however, the ultimate goal is to identify, disrupt, and cut off the flow of funds to terrorists, whether or not the investigation results in prosecutions.''

Many steps have been taken by Congress, law enforcement, and the private sector to address the issue of terrorist financing. The USA PATRIOT Act codified money laundering statutes and provided authority improving the flow of financial information regarding terrorist financing. The Bank Secrecy Act has been amended to require financial institutions to report suspicious activities. Enforcement and enhanced regulations make it more difficult for terrorist organizations to compromise U.S. financial institutions. However, these terrorists continue to seek the path of least resistance, utilizing alternative financing systems and foreign banking systems that lack sufficient standards and regulations.

Alternative remittance systems are utilized by terrorists to move and launder large amounts of money around the globe quickly and secretly. These remittance systems, also referred to as ''hawala'' networks, are used throughout the world, including the Middle East, Europe, North America and South Asia. These systems are desirable to criminals and non-criminals alike because of the anonymity, low cost, efficiency, and access to underdeveloped regions. The United States has taken steps to combat the ''hawala'' networks by requiring all money transmitters, informal or formal, to register as money services businesses.

Under current Federal law, a financial transaction constitutes a money laundering offense only if the funds involved in the transaction represent the proceeds of some criminal offense. See 18 U.S.C. §1956(a)(1) (''represents the proceeds of some form of unlawful activity''); and 18 U.S.C. §1957(f)(2) (''property constituting, or derived from, proceeds obtained from a criminal offense''). There is some uncertainty, however, as to whether the ''proceeds element'' is satisfied with regard to each transaction in a money laundering scheme that involves two or more transactions conducted in parallel, only one of which directly makes use of the proceeds from unlawful activity. For example, consider the following transaction: A sends drug proceeds to B, who deposits the money in Bank Account 1. Simultaneously or subsequently, B takes an equal amount of money from Bank Account 2 and sends it to A, or to a person designated by A. The first transaction from A to B clearly satisfies the proceeds element of the money laundering statute, but there is some question as to whether the second transaction—the one that involves only funds withdrawn from Bank Account 2 does so as well. The question has become increasingly important because such parallel transactions are the technique used to launder money through the Black Market Peso Exchange and ''hawala'' network. Section 405 of the conference report is intended to remove all uncertainty on this point by providing that all constituent parts of a set of parallel or dependent transactions involve criminal proceeds if one such transaction does so. The conference report modifies the hawala provision to require that it be part of plan or arrangement.

Sec 406. Technical and conforming amendments relating to the USA PATRIOT Act

Section 406 of the conference report is substantively similar to section 406 of the House bill. There is no comparable provision in the Senate amendment. This section makes a number of corrections relating to provisions of the USA PATRIOT Act, mostly affecting money laundering or asset forfeiture. While essentially technical in nature, these corrections are critical because typographical and other errors in the USA PATRIOT Act provisions are preventing prosecutors from fully utilizing that Act's tools. For example, certain new forfeiture authorities enacted by that Act refer to a nonexistent statute, 31 U.S.C. §5333, where 31 U.S.C. §5331 is intended.

Subsection (a) makes technical corrections to a number of provisions in the USA PATRIOT Act. Subsection (b) codifies section 316(a)–(c) of that Act as 18 U.S.C. §987. Subsection (c) adds explicit language covering conspiracies to carry out two offenses likely to be committed by terrorists (18 U.S.C. §§33(a) and 1366), thereby conforming these provisions to various crimes modified by section 811 of the USA PATRIOT Act, which added conspiracy language to other terrorism offense.

Section 407. Cross reference correction

Section 407 of the conference report is substantively identical to section 408 of the House bill. There is no comparable provision in the Senate amendment. This section corrects a cross-reference, replacing the ''National Intelligence Reform Act of 2004'' with the correct title, the ''Intelligence Reform and Terrorism Prevention Act of 2004.''

Section 408. Amendment to amendatory language

Section 408 of the conference report is substantively identical to section 409 of the House bill. There is no comparable provision in the Senate amendment. This section amends an incorrect citation.

Section 409. Designation of additional money laundering predicate

Section 409 of the conference report is substantively identical to section 410 of the House bill. There is no comparable provision in the Senate amendment. This section adds 18 U.S.C. §2339D (relating to receiving military-type training from a foreign terrorist organization) as a money laundering predicate.

TITLE V—MISCELLANEOUS

Section 501. Residence of United States Attorneys and Assistant United States Attorneys

Section 501 is a new section and addresses an unintentional effect of the residency requirement for United States Attorneys and Assistant United States Attorneys. Section 501 of the conference report provides that the Attorney General can order that residency requirements be waived when a United States Attorney or Assistant United States Attorney is assigned dual or additional responsibilities. This provision will enable activities such as participation by United States Attorneys in legal activities in Iraq.

Section 502. Interim appointment of United States Attorneys

Section 502 is a new section and addresses an inconsistency in the appointment process of United States Attorneys.

Section 503. Secretary of Homeland Security in Presidential line of succession

Section 503 of the conference report is a new section and fills a gap in the Presidential line of succession by including the Secretary of Homeland Security.

Section 504. Bureau of Alcohol, Tobacco, and Firearms to the Department of Justice

Section 504 of the conference report is a new section. This provision modifies the appointment procedure for the Director of the Bureau of Alcohol, Tobacco, and Firearms by providing that the President, with the advice and consent of the Senate, shall appoint the Director.

Section 505. Qualifications of United States Marshals

Section 505 of the conference report is a new section. This section clarifies the qualifications individuals should have before joining the United States Marshals.

Section 506. Department of Justice intelligence matters

Section 506 is a new section that establishes a National Security Division (NSD) within the DOJ, headed by an Assistant Attorney General for National Security (AAGNS). This section is consistent with a recommendation by the WMD Commission that the ''Department of Justice's primary national security elements—the Office of Intelligence Policy and Review, and the Counterterrorism and Counterespionage sections—should be placed under a new Assistant Attorney General for National Security.'' A version of this section was included in S. 1803, the ''Intelligence Reauthorization bill for fiscal year 2006,'' which was reported favorably by the Senate Select Committee on Intelligence on September 29, 2005.

Section 507. Review by Attorney General

Section 507 is a new section. It modifies the process by which States can opt in to the expedited habeas procedures for capital cases under chapter 154 of title 28 of the United States Code by shifting responsibility to the Attorney General for certifying when a State has qualified. This section also allows for *de novo* review in the U.S. Court of Appeals for the District of Columbia Circuit of the Attorney General's certification. It relaxes the time constraints imposed on judges for deciding habeas cases under chapter 154. This section also clarifies when a habeas proceeding is 'pending' for purposes of 28 U.S.C. 2251, which controls the circumstances under which a federal court hearing a habeas petition may stay a State court action. Overruling *McFarland* v. *Scott*, 512 U.S. 849 (1994), this section provides that a habeas proceeding is not 'pending' until the habeas application itself is filed. For prisoners who have applied for counsel pursuant to 18 U.S.C. 3599(a)(2), there is a limited exception allowing the court to stay execution of a death sentence until after the attorney has been appointed or the application withdrawn or denied.

TITLE VI—SECRET SERVICE

Section 601. Short title

The short title is ''Secret Service Authorization and Technical Modification Act of 2005.'' Section 601 of the conference report is new.

Section 602. Interference with national special security events

Section 602 of the conference report is a new section. 18 U.S.C. §1752 authorizes the Secret Service to charge individuals who breach established security perimeters or engage in other disruptive or potentially dangerous conduct at National Special Security Events (NSSEs) if a Secret Service protectee is attending the designated event. Section 602 of the conference report expands 18 U.S.C. §1752 to criminalize such security breaches at NSSEs that occur when the Secret Service protectee is not in attendance. Additionally, it doubles the statutory penalties (from 6 months to 1 year) for violations of §1752, to make the penalty consistent with the prescribed penalty under 18 U.S.C. §3056(d) (interference with Secret Service law enforcement personnel generally). The conference report makes punishable by up to 10 years the thwarting of security procedures by individuals in possession of dangerous or deadly weapons.

Section 603. False credentials to national special security events

Section 603 of the conference report is a new section. This section amends 18 U.S.C. §1028 to make it a Federal crime to knowingly produce, possess, or transfer a false identification document that could be used to gain unlawful and unauthorized access to any restricted area of a building or grounds in conjunction with a NSSE. Such actions were a problem during the 2002 Winter Olympics, and the conference report will allow for Federal prosecution against such criminal violations at future NSSEs.

Section 604. Forensic and investigative support of missing and exploited children cases

Section 604 of the conference report is a new section. On April 30, 2003, President Bush signed into law the Child Abduction Prevention Act (Pub. Law No. 108–21), which authorizes the Secret Service to provide, upon request, forensic and investigative assistance to the National Center for Missing and Exploited Children or local law enforcement agencies. The current statute states that ''officers and agents'' of the Secret Service may provide this assistance. Section 604 of the conference report clarifies that forensic and other civilian personnel, such as fingerprint specialists, polygraph examiners, and handwriting analysts, are authorized to provide such assistance.

Section 605. The uniformed division, United States Secret Service

Section 605 of the conference report is a new section. This section places all authorities of the Uniformed Division, which are currently authorized under title 3, in a newly created 18 U.S.C. §3056A, following the core authorizing statute of the Secret Service (18 U.S.C. §3056), thereby organizing the Uniformed Division under title 18 of the United States Code with other Federal law enforcement agencies.

Section 606. Savings provisions

Section 606 of the conference report is a new section. This section makes clear that the transfer of the Uniformed Division from title 3 of the United States Code to title 18 of the United States Code shall have no impact on the retirement benefits of current employees or annuitants and others necessary to reimburse State and local government organizations for support provided in connection with a visit of a foreign government official.

Section 607. Maintenance as distinct entity

Section 607 of the conference report is a new section. This section provides a clear operational and organizational framework for the Secret Service that maintains the Secret Service as a distinct component of the Department of Homeland Security while providing the Service with necessary operational latitude. It allows for the Director of the Secret Service to report directly to the Secretary of the Department of Homeland Security. Finally, the conference report provides that the assets, agents, officers, and other personnel of the Secret Service shall remain at all times under the command and control of the Director.

Section 608. Exemptions from the Federal Advisory Committee Act

Section 608 of the conference report is a new section. This section exempts the functions of the Secret Service's Electronic Crime Task Forces and the candidate protection committee from the Federal Advisory Committee Act (5 U.S.C. App. 2), which imposes a series of requirements on committees established or utilized by Federal agencies to provide advice or recommendations to any agency or Federal officer. Committees that wholly consist of full-time officers or employees of the Federal Government are not covered by the Act. If the advisory committee is subject to the Act, it must, among other requirements, open its meetings to the public, publish notice of meetings in the Federal Register, and make its minutes available to the public. There are current exemptions from these requirements, such as committees established by the CIA and the Federal Reserve. This amendment eliminates any doubt and confirms that the Act does not apply to the Electronic Crime Task Forces or the candidate protection committee.

TITLE VII—COMBAT METHAMPHETAMINE EPIDEMIC ACT OF 2005

Section 701. Short title

The short title is the ''Combat Methamphetamine Epidemic Act of 2005.'' Section 701 of the conference report is a new section.

SUBTITLE A—DOMESTIC REGULATION OF PRECURSOR CHEMICALS

Section 711. Scheduled listed chemical products; restrictions on sale quantity, behind-the counter access, and other safeguards

This section of the conference report is new. Section 711 reclassifies pseudoephedrine, phenylpropanolamine, and ephedrine as Schedule Listed Chemicals; reduces the Federal pertransaction sales limit for SLCs from 9 grams to 3.6 grams (the amount recently proposed by the Administration); requires behind-the-counter storage or locked cabinet storage of SLCs; requires that regulated sellers (retail distributors and pharmacies) maintain a written log of purchases; restricts monthly sales to no more than 9.0 grams per purchaser; imposes similar requirements on Internet sellers and mobile retail vendors; and requires each regulated seller to submit a certification that it is in compliance with these requirements, that its employees have been trained as to these requirements, and that records relating to such training are maintained at the retailers location. Such certifications are to be made available by the Attorney General to State and local law enforcement.

Section 712. Regulated transactions

This section of the conference report is new and repeals the Federal ''blister pack'' exemption, and clarifies the law to include derivatives of each of these chemicals. It makes conforming amendments to the current law, to accommodate the new sales restrictions, and makes another technical correction to make it clear that these sales limitations apply to drug combinations containing derivatives of pseudoephedrine, ephedrine, or phenylpropanolamine.

Section 713. Authority to establish production quotas

This section of the conference report is new and extends the Attorney General's existing authority to set production quotas for certain controlled substances (see 21 U.S.C. §826) to pseudoephedrine, ephedrine, and phenylpropanolamine. Currently, domestic production of these chemicals is not very high, as most of our country's supply is imported. With the adoption of the import quotas in section 715 of this Act (see below), however, the Attorney General would require corresponding authority within the U.S. if domestic production were to increase. Current law (as amended) would allow manufacturers to apply for increases in their production quotas (see 21 U.S.C. §826(e)).

Section 714. Penalties; authority for manufacturing; quota

This section of the conference report is new and expands the existing penalty for illegal production beyond established quotas (see 21 U.S.C. §842(b)) to take into account the Attorney General's new authority to set quotas for methamphetamine precursors.

Section 715. Restrictions on importation; authority to permit imports for medical, scientific, or other legitimate purposes

Section 715 of the conference report is a new provision and extends the Attorney General's existing authority to set import quotas for controlled substances (see 21 U.S.C. §952) to pseudoephedrine, ephedrine, and phenylpropanolamine. This section allows registered importers to apply for temporary or permanent increases in a quota to meet legitimate needs. The. Attorney General is required to act on all such applications within 60 days.

Section 716. Notice of importation or exportation; approval of sale or transfer by importer or exporter

Section 716 of the conference report is new and closes a loophole in the current regulatory system for imports and exports of precursor chemicals for methamphetamine and other synthetic drugs. Under current law, a company that wants to import or export pseudoephedrine or another precursor chemical must either: (1) Notify the Department of Justice 15 days in advance of the import or export; or (2) be a company that has previously imported or exported a precursor and is proposing to sell the chemicals to a customer with whom the company has previously dealt. (See 21 U.S.C. §971(a), (b).)

A problem can arise, however, when the sale that the importer or exporter originally planned falls through. When this happens, the importer or exporter must quickly find a new buyer for the chemicals on what is called the ''spot market''—a wholesale market. Sellers are often under pressure to find a buyer in a short amount of time, meaning that they may be tempted to entertain bids from companies without a strong record of preventing diversion. More importantly, the Department of Justice has no opportunity to review such transactions in advance and suspend them if there is a danger of diversion to illegal drug production.

This section extends the current reporting requirements—as well as the current exemption for regular importers and customers—to post-import or export transactions. If an importer or exporter were required to file an initial advance notice with the Department of Justice 15 days before the shipment of chemicals, and the originally planned sale fell through, the importer or exporter would be required to file a second advance notice with DOJ identifying the new proposed purchaser. DOJ would then have 15 days to review the new transaction and decide whether it presents enough of a risk of diversion to warrant suspension. As is the case under existing law, a suspension can be appealed through an administrative process. (See 21 U.S.C. §971(c)(2)

If, however, the new proposed purchaser qualifies as a ''regular'' customer under existing law, the importer or exporter would not be required to file a second advance notice. (Note that under current law, DOJ does receive a record of these transactions after the fact, see 21 U.S.C. §971(b)(I)).

Section 717. Enforcement of restrictions on importation and of requirement of notice of transfer

This section of the conference report is new and makes a conforming amendment to current law to extend existing penalties for illegal imports or exports to the new regulatory requirements added by sections 715 and 716 of the conference report.

Section 718. Coordination with United States Trade Representative

This section of the conference report is new and requires coordination by the Attorney General with the United States Trade Representative.

SUBTITLE B—INTERNATIONAL REGULATION OF PRECURSOR CHEMICALS

Section 721. Information of foreign chain of distribution; import restrictions regarding failure of distributors to cooperate

This section of the conference report is new and further amends the reporting requirements for importers of meth precursor chemicals, by requiring them to file with Federal regulators the detailed information about the chain of distribution of imported chemicals (from the manufacturer to the shores of the U.S.). This provision will assist U.S. law enforcement agencies to better track where meth precursors come from, and how they get to the U.S. At present, very little information exists about the international ''chain of distribution'' for these chemicals, hindering effective controls.

Section 722. Requirements relating to the largest exporting and importing countries of certain precursor chemicals

This section of the conference report is new, and was originally introduced by Rep. Mark Kennedy in the House and was adopted by the House as part of the State Department reauthorization legislation for FE 2006–07 (H.R. 2601). It mandates a separate section of the current State Department report on major drug producing and transit countries (see 22 U.S.C. 2291h), identifying the five largest exporters of major methamphetamine precursor chemicals, and the five largest importers that also have the highest rate of methamphetamine production or diversion of these chemicals to the production of methamphetamine. If any of those countries was not fully cooperating with U.S. law enforcement in implementing their responsibilities under international drug control treaties, there would be consequences for their eligibility for U.S. aid, similar to those faced by the major drug trafficking nations under current law.

The conference report adds a provision clarifying the original intent of this amendment, to apply the ''fully cooperates'' standard (and not the lesser standard under another, separate provision of law). The provision also includes an authorization of one million dollars for implementation.

The House recently passed an amendment to the State Department's appropriations bill for FY '06, adding $5 million for the State Department to implement anti-methamphetamine measures; this $1 million could be derived from that amount.

Section 723. Prevention of smuggling of methamphetamine into the united states from mexico

This section of the conference report is new and requires the State Department's Bureau for International Narcotics and Law Enforcement Affairs (INL) to provide assistance to Mexico to prevent the production of methamphetamine in that country, and to encourage Mexico to stop the illegal diversion of methamphetamine precursor chemicals. The conference report authorizes the use of $4 million of the $5 million recently approved by the House for these purposes. (The remaining funds would be available to help the State Department implement Sec. 722, as described above.)

SUBTITLE C—ENHANCED CRIMINAL PENALTIES FOR METHAMPHETAMINE PRODUCTION AND TRACKING

Section 731. Smuggling methamphetamine or methamphetamine precursor chemicals into the United States while using facilitated entry programs

This section of the conference report is new. Even as more methamphetamine is being smuggled across the border, increased legitimate international traffic has forced the bureau of Customs and Border Protection (CBP) to rely on facilitated entry programs—so-called ''fastpass'' systems like SENTRI (for passenger traffic on the Southwest border), FAST (for commercial truck traffic), and NEXUS (for passenger traffic on the Northern border). These systems allow pre-screened individuals to use dedicated lanes at border crossings, subject only to occasional searches to test compliance with customs and immigration laws. This section of the conference report creates an added deterrent for anyone who misuses a facilitated entry program to smuggle methamphetamine or its precursor chemicals. An additional penalty of up to 15 years. imprisonment is added to the punishment for the base offense. If convicted, an individual would also be permanently barred from using a fastpass system.

Section 732. Manufacturing controlled substances on federal property

This section of the conference report is new. This section clarifies that current penalties for cultivating illegal drugs on Federal property also apply to manufacturing synthetic drugs {such as methamphetamine). Methamphetamine ''cooks'' frequently move their operations to parks, national forests, and other public lands, causing serious environmental damage. This criminal penalty can help deter such destructive conduct.

Section 733. Increased punishment for methamphetamine kingpins

This provision of the conference report is new, and allows for easier application of the enhanced penalties of the ''continuing criminal enterprise'' section of the Controlled Substances Act (21 U.S.C. §848). That section (commonly referred to as the ''kingpin'' statute) imposes life imprisonment on a leader of a drug trafficking organization convicted of trafficking in very large quantities of a drug, and receiving very large profits from that activity. This new provision reduces the threshold amount of methamphetamine (from 300 to 200 times the threshold for base violations) and profits from methamphetamine (from $10 million to $5 million), while still applying the life imprisonment penalty only to. true ''kingpins''—the ringleaders of methamphetamine trafficking organizations.

Section 734. New child-protection criminal enhancement

This provision of the conference report, which is new, punishes an offender who manufactures methamphetamine at a location where a child resides or is present, and imposes a consecutive. sentence of up to an additional 20 years imprisonment.

Section 735. Amendments to certain sentencing court reporting requirements

This provision of the conference report is new and authorizes the United States Sentencing Commission to establish a form to be used by United States District Judges when imposing criminal sentences in order to facilitate data gathering and reporting by the Sentencing Commission.

Section 736. Semiannual reports to congress

This provision, which is new to the conference report, requires the Attorney General to report to Congress on investigations and prosecutions relating to methamphetamine production.

SUBTITLE D—ENHANCED ENVIRONMENTAL REGULATION OF METHAMPHETAMINE BYPRODUCTS

Section 741. Biennial report to congress on agency designations of by-products on methamphetamine laboratories as hazardous materials

This provision of the conference report is new, and requires the Department of Transportation to report to Congress every two years whether then-existing statutes and regulations cover methamphetamine by-products as hazardous materials.

Section 742. Methamphetamine production report

This provision of the conference report is new, and requires the Environmental Protection Agency (EPA) to report to Congress every two years on whether then-existing statutes and regulations cover methamphetamine by-products as hazardous materials.

Section 743. cleanup costs

This provision of the conference report is new, and clarifies existing law imposing the obligation of restitution for environmental cleanup costs on persons involved in meth production and trafficking. The recent decision of the Eighth Circuit Court of Appeals in *United States* v. *Lachowski* (405 F3d 696, 8th Cir. 2005) has undermined the ability of the Federal government to seek cleanup costs. from methamphetamine traffickers who are convicted only of methamphetamine possession—even when the methamphetamine lab in question was on the defendant's own property. This provision would ensure that any person convicted of a methamphetamine-related offense can be held liable for clean-up costs for methamphetamine production that took place on the defendant's own property, or in his or her place of business or residence.

SUBTITLE E—ADDITIONAL PROGRAMS AND ACTIVITIES

Section 751. Improvements to Department of Justice Drug Courts program

This section of the conference report is new, and revises the Drug Court program statute to clarify the requirement for periodic testing, graduated sanctions when an offender tests positive, and a list of potential sanctions when a positive test occurs.

Section 752. Drug Courts funding

This provision of the conference report is new and authorizes appropriations for drug courts.

Section 753. Feasibility study on Federal Drug Courts

This provision of the conference report, which is new, directs the Attorney General to conduct a study on the feasibility of Federal drug courts.

Section 754. Grants to hot spot areas to reduce availability of methamphetamine

This section, which is new to the conference report, authorizes $99 million for fiscal years 2006 to 2010 for grants to State and local law enforcement agencies to assist in the investigation of methamphetamine traffickers and to reimburse the DEA for assistance in cleaning up methamphetamine laboratories.

Section 755. Grants for programs for drug-endangered children

This section of the conference report, which is new, authorizes grants to States to assist in treatment of children who have been endangered by living at a residence where methamphetamine has been manufactured or distributed.

Section 756. Authority to award competitive grants to address methamphetamine use by pregnant and parenting women offenders

Section 756 is a new provision and authorizes the Attorney General to award grants to address the use of methamphetamine among pregnant and parenting women offenders to promote public safety, public health, family permanence and well being.

From the Committee on the Judiciary, for consideration of the House bill (except section 132) and the Senate amendment, and modifications committed to conference:

F. JAMES SENSENBRENNER, Jr.,
HOWARD COBLE,
LAMAR SMITH,
ELTON GALLEGLY,
STEVE CHABOT,
WILLIAM L. JENKINS,
DANIEL LUNGREN,

From the Permanent Select Committee on Intelligence, for consideration of secs. 102, 103, 106, 107, 109, and 132 of the House bill, and secs. 2, 3, 6, 7, 9, and 10 of the Senate amendment, and modifications committed to conference:

PETE HOEKSTRA,
HEATHER WILSON,

From the Committee on Energy and Commerce, for consideration of secs. 124 and 231 of the House bill, and modifications committed to conference:

CHARLIE NORWOOD,
JOHN SHADEGG,

From the Committee on Financial Services, for consideration of sec. 117 of the House bill, and modifications committed to conference:

MICHAEL G. OXLEY,
SPENCER BACHUS,

From the Committee on Homeland Security, for consideration of secs. 127–129 of the House bill, and modifications committed to conference:

PETER T. KING,
CURT WELDON,
Managers on the Part of the House.

ARLEN SPECTER,
ORRIN HATCH,
JON KYL,
MIKE DEWINE,
JEFF SESSIONS,
PAT ROBERTS,
Managers on the Part of the Senate.

IMPORTANT ISSUES TO THE COUNTRY

The SPEAKER pro tempore (Mr. POE). Under the Speaker's announced policy of January 4, 2005, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes as the designee of the majority leader.

Mr. KING of Iowa. Mr. Speaker, I appreciate the privilege to be recognized on the floor of the United States Congress, and have this opportunity to address you on the issues that I think are important to this great country, this great country that all of us on the floor of this Chamber, all 435 of us, love so much and so desperately try to do our best to represent.

Just a reflection upon the conclusion of the remarks made by the folks ahead of me in the previous hour and seeking to go to the new C words of cooperation and coming together. It is quite incongruous for me to try to understand how that would be when 1 or 2 hours a night there can be a relentless drumbeat challenging the motives, the integrity, the character and the intelligence, the planning and the convictions of the entire team over here on the Republican side of the aisle.

In fact, I said Republican here, and that is the first time that word has been said on this floor in over an hour that did not sound like a word that was based on some type of profane term.

This has gone on day after day, hour after hour, week after week, again relentlessly trying to undermine the hard work being done by the people here in the trenches, doing the work out on the floor, in committee, and behind the scenes.

There is an awful lot that goes on behind every one of those office doors in Congress. Many, many things are happening behind those doors; the staff that multiplies the efforts of the Member, the grapevine that is out here feeding this information; the network; the information-gathering process, the analysis of that; the input that comes from our constituents, and the trips back home of many of us every weekend to get our feet on the ground and look our constituents in the eye and listen to them to hear what they have to say.

I am one of those people that I am pledged to listen. I am pledged to hear what they have for input. But I am also pledged to owe my constituents my best judgment. My best judgment includes, if I happen to disagree with them, but I will absolutely lay out the case as to why and hear their rebuttal. So far we have had a pretty good working relationship over the years that I have had the privilege to serve here, Mr. Speaker.

Yet this undermining of our national effort that goes on continually is not conducive to coming together. It is not conducive to cooperation. It is not conducive to comity. It is not conducive to any type of cooperation that I can think of. It draws a bright line and drives a wedge between the two parties. We should try to find things we can agree on.

I heard the gentlewoman from Florida say there were only a handful of things when she was in the State legislature in Florida that she disagreed with, and that the two parties disagreed with, and the rest of that they came together and found common ground. Well, I am wondering if that was the case.

I have served in the State legislature myself, Mr. Speaker, and I did not find that every one on the other side of the aisle sat their alarm in the morning, got up and read the newspaper to figure out what they could do to attack the other side. I did not see the State legislators focus their energies from the first sunup in the morning to try to identify what they could do to undermine the other side. They actually came to work to try to find how they could come together. They tried to find common ground and how to move their State forward. That is the way it was in Iowa, and I suspect that is how it was in Florida, at least I have not heard otherwise.

That is not the way it has become in this United States Congress. In fact, in the time I have been here, this is as partisan as I have ever seen it. There is as much partisan disagreement as I have ever seen.

An example might be our trade agreements, and the Central American Free Trade Agreement would be one. There was a time when we negotiated trade agreements and they were bipartisan agreements. There was a good sized group of Members from the Democratic side of the aisle that would support a free trade agreement. They believed in free enterprise. They believed in world trade. They knew if we traded with other countries, that whenever you make a deal with anyone, whenever it comes to free enterprise, if you trade a dollar with one entity or two or more entities, everybody involved in that circle all has to have profit. It is good for all of us, and that is why we agree to those trade agreements. But it has become a sharp, bright-line partisan issue.

Many, many more things have become partisan here in the last couple of years that, to my recollection, were not. And so to argue for cooperation is one thing, but the actions and the words over the months of this relentless effort here down on the floor have done the exact opposite. They have driven a wedge between us, Mr. Speaker. So that means we have to try to move this Nation forward sometimes without the help of the people on the other side of the aisle, and then it turns into a partisan debate. It also forces us to do the best we can with the votes we have to move this Nation forward.

So a free trade agreement is one thing. This Nation has a large economy and we can recover from a few mistakes and the few difficulties that come with partisan opposition to some of those things that were, before this, bipartisan.

But when it comes to a time of war, when it comes to a time that our United States military is deployed overseas and their lives are on the line 24/7, and have been ever since March of 2003; at a time when the destiny of the world hangs in the balance; at a time when the presence of the United States in the Middle East itself has brought Lebanon towards freedom, and caused Qaddafi in Libya to turn over all his hold cards, to play his cards face up on weapons of mass destruction, including nuclear, which had developed far ahead of where we thought it was, but Qaddafi contacted us and said I want to drop this. I do not want to play this game any more.

Our presence in the Middle East meant too much. The threat was so great, he figured we would find out about his weapons and go eliminate his weapons, so he decided he would simply cease to develop them and eliminate the foundations he had built for those weapons of mass destruction. That came because the United States has a positive image in the world, in spite of the message that comes from this other side of the aisle.

I have stood here on this floor, Mr. Speaker, for the third time, this is the third hour I have initiated to come down here and talk about the President's agenda, the Commander in Chief's agenda, the mission of our troops and the destiny of the entire world that is part of this plan that has been laid out by President Bush. I laid this out last night, Mr. Speaker, and I spent some time doing it in not necessarily a concise fashion, but a thorough fashion. And anybody that was listening should have understood.

I walked off this floor, perhaps after 10 o'clock last night, and another hour of this relentless criticism flowed down here again, and they picked up the same old drumsticks and began beating the same old drum with the same old song: WMD, WMD, WMD. Weapons of mass destruction. Everything that goes on is illegitimate because, according to them, it has been proven that there were no weapons of mass destruction in Iraq.

Now, you would think that anybody that arrived in this Congress and went through the crucible and testing process and was elected to owe their best judgment to their constituents, as I do, would know one of the most simple principles of rational logic, and you do not have to be a Rhodes Scholar or a Harvard lawyer to know this, but many are and still do not know this; that you cannot prove a negative. Yet they continually say it has been proven that there were no weapons of mass destruction.

I would say tell that to the people up there in the region of Kirkuk and the area that is Kurdistan. Tell that to the swamp Arabs in the south; those that have lost perhaps 75 percent or more of their population because of the attacks of Saddam Hussein.

Try and carry on this argument as the trial of Saddam Hussein goes on and this 140 or so people that he allegedly murdered in the one small city because of the assassination attempt on him. When that becomes the larger, there will be 180,000 or more deaths attributed to Saddam Hussein and the people who took orders from Saddam Hussein.

In fact, as I was in Baghdad in the month of August, I met with the judges that are trying Saddam Hussein today, and we talked about the upcoming trial. They could not be specific about it, in order to protect the integrity of the system, but I did understand and learn in that room that the charges of killing 180,000 people that are charged against the person whom we know, or are familiar with his moniker as Chemical Ali, that he protested and said, that is not true, I did not kill more than 100,000 people. It was not 180,000 people. So how do you kill 180,000, or even 100,000 people, which is apparently the confession of Chemical Ali, how do you do that without weapons of mass destruction?

How do you convince someone who lost their family in a gas attack in Halabja that Saddam Hussein did not have any weapons of mass destruction? I met a young lady that was raised up there near Kirkuk, in an area I will call Kurkistan, about an hour from Kirkuk. She has a friend who survived that gas attack in Halabja. He was able to get on a tractor and maybe went upwind and got away from it somehow and survived. A random act, I am sure, that kept him alive, and he probably wonders why he survived and not his family. His family was all wiped out in this.

I would submit that you could take that individual or any other survivors that are there, and if they could come down on this floor and listen to this, I think they would plug their ears. They would plug their ears because they would not know how to react to this relentless drumbeat of ''there were no weapons of mass destruction.''

Well, what caused all those deaths? Why is Saddam Hussein on trial? Why are there 180,000 people that have died

and that are part of these court records and which will be part of this prosecution as it unfolds?

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Why does Chemical Ali say ''I did not kill any more than 100,000. I was not so bad.'' That is his defense?

There are more deaths than that. There are hundreds of thousands of deaths, and some of the Members of Congress have been to the mass graves. I have not seen those mass graves. I have been to Iraq a number of times, but I have not seen the graves. But I have seen the pictures, seen the film, and I have read the reports and I have talked to the people that have been there. I cannot be convinced that anyone can kill that many people without weapons of mass destruction. Hitler could not. Neither could Saddam Hussein.

So this drumbeat of no WMD, no WMD. Well, the King law of physics is everything has to be somewhere. And since we do not know where it is, it has to still be somewhere. If you find something you lost, it is always in the last place you looked. So perhaps we just have not looked in the last place yet. Perhaps it is buried in Iraq. Perhaps it has gone to Syria.

We know before the Desert Storm operations in 1991, Saddam Hussein took his fighter jets and flew those to Iran. I remember the flight pattern that showed those jets going up and landing. I have never gotten a report that they ever came back. It may be that the ayatollahs in Iran kept them and maybe thought this is a nice way for us to get even for the war we had in the 1980s. He has a modus operandi of spiriting things out of the country when conflict is imminent.

So if he would fly the MiGs out of Iraq into Iran, why would people not presume that he would haul weapons of mass destruction out of Iraq into perhaps Syria, or why would they think that he would not bury those weapons of mass destruction when, in fact, we discovered a fully operational MiG–29 buried in the desert, not because of any intelligence report, not because of some detector, not because David Kay was over there scouring that countryside for weapons. No, we found that fully operational MiG–29 because the wind blew the sand off the tail fin. They buried it in the desert.

So he has an MO of bearing weapons and spiriting them out of the country when times get tough. Why would we presume that he did not do one or the other or both? We know everything has to be someplace. You cannot prove a negative. No one can honestly say with a rational mind that there were no weapons of mass destruction, because we know he used them at least 11 times. There are survivors from those attacks. The only way a rational person could contend there were not weapons of mass destruction would be to believe that Saddam Hussein used his last canister of gas on the Kurds and simply depleted his inventory and he decided not to rebuild it, but he decided to keep a system in place so he could reestablish that inventory any time he chose.

He kept the system in place for both chemical and biological weapons. We know that. That is all in the David Kay record and the Duelfer Report. It is the same report that came to this Congress that is being quoted by the other people that says it proved that they had no weapons of mass destruction. There was no proof that there were no weapons of mass destruction. What there was not was a great big warehouse full of weapons of mass destruction. In fact, we found some canisters of nerve gas and we found munitions designed for gas, small quantities, not great warehouses. Out of the million tons of munitions that we found in Iraq, some of them were weapons of mass destruction components. Not in large volume. If there had been, we would have stacked them all up in the middle of a warehouse and brought in the inspectors, and maybe there would be a different story on this part.

But I would contend if that were the case, if there had been warehouses of weapons of mass destruction there, then these people who are continually pulling down our national spirit every night with this massive, relentless pounding of pessimism, and they need to get away from the ''p'' words over there and get to the optimistic words, they would have moved the bar. They would have raised the bar and said maybe there were weapons of mass destruction, but. And I do not know their argument. I cannot think like they do; and I am grateful I cannot. But they would have raised the bar.

Mr. Speaker, I submit this: if we ever get them now to set the standard on how to define a victory in Afghanistan and Iraq, if we could compel them to set a standard, then you would see that it would be such a high bar that they would know it could never be achieved. They would always find a way to define themselves away from that high bar because they will never admit that the President of the United States made a decision that could result in something that would be a fantastic result, a noble thing for this country to do, and an ultimate result that freed 50 million people and has every prospect of freeing hundreds of millions more throughout the Arab world, which is the only formula for ever getting to a victory on this war on terror.

No, they say we are in this war on terror and they will keep attacking us until we get out of the Middle East. We were not in the Middle East when we were attacked on September 11.

A couple other principles, Mr. Speaker. Since there was not a warehouse full of weapons of mass destruction that we have yet identified, and they make the allegation that they did not exist and do not seem to be quite up to that 8th grade level of ''you cannot prove a negative,'' since that seems to be the standard, what is wrong with liberating 50 million people, 25 million in Afghanistan and 25 million in Iraq? That is a noble thing. Is that not something that the United States has done throughout history?

Do they not know that the Civil War was fought to save the Union? Do they not know that Abraham Lincoln's effort was to keep this Union intact? Do we not call it the war to free the slaves? Did we not liberate every black American, and it took a while to get it right, and we are still working on getting some of those pieces right. Do we call it the war to free the Union? No we call it the war to free the slaves. That was the result of the war. It was a noble thing.

I will pick up some of these other issues, Mr. Speaker, and I would like to go back to that; but I see my colleagues here on the floor, and I wonder if maybe the gentleman from Texas (Mr. POE) is prepared to speak.

Mr. POE. Mr. Speaker, I want to make a few comments regarding our situation in Iraq.

You and numerous other Members of this body have been to Iraq to see firsthand exactly the situation, see the finest military that has ever existed from any country; and I met with those young men and women and all branches of the service, and to a person they were proud not only to be Americans but they were proud to serve in Iraq to free the Iraqi people from the tyranny that they have had for years, numerous years.

I think it is important that we remember our own history and how it is necessary to be eternally vigilant because of the issue and concept of liberty. Our own American Revolution took at least 7 years before this country became a free and independent Nation. Back then there were the naysayers and the quitters and the cut-and-run folks who wanted to give up and surrender and not fight for that liberty.

It is good our history reflects those people were not listened to by the vast majority of those people who lived in the colonies and gained freedom and an independent Nation as well.

In many wars since then, the same was true. Including back during World War II that we mentioned yesterday on this House floor that all started with another terrorist attack against this country, and the war was not going well for the United States at the beginning of World War II. Both the Japanese and the Germans had the upper hand. It is good that our history does not reflect that that greatest generation got tired of the war, quit and left that engagement but finished the job, finished the job for freedom as well.

The country has a plan. I think the plan is very simple. We are going to win the war, finish the job, and bring our troops home as soon as liberty is established in that democracy, that democracy that many people said would never exist, that does exist.

I was proud to be one of two Members of this body on January 30, 2005, when Iraq started that democracy with that parliament that occurred. People voted that day, and of course there are those who said they will never vote; they do not understand democracy. They will never come out and vote. And yet they did, even though there were over 50 Iraqis murdered because they chose to vote. Over 400 were wounded because they chose to vote, and they did it anyway because freedom is that important.

But it all occurred because we are there. Our troops are there. Our young men and women are there doing what they can to have democracy in this part of the world that many years ago did not even understand the concept of it.

I appreciate the opportunity to make these comments. The last 2 days I have stood on this House floor and mentioned two people in my district, one a marine and one a soldier, who gave their lives for this country in Iraq, gave their lives for the Iraqi people, and gave their lives for freedom. Both of them and their families have reiterated to me personally how they believed in what they were doing because they were doing the right thing.

I appreciate the chance to make these comments. It is important that the American people focus, finish the job, win the war, and bring the troops home as soon as we can, but not until freedom is established.

Mr. KING of Iowa. Mr. Speaker, I thank the gentleman from Texas. I was not aware that you were actually on the ground in Iraq during the elections in January. What was it like to be in-country at that time?

Mr. POE. We started out in Fallujah that day. I was there with Mr. SHAYS. When the sun came up, we were wondering whether people would come to the polls. The whole nation was shut down to vehicular traffic. The only vehicles on the roads were Iraqi security forces and our military. Nobody else could be driving, so everybody had to walk to the polls that day, sometimes up to 2 hours.

After the sun came up, people started going to the polls. They walked. Not only did they walk, they took their families and their in-laws. They stood in line to vote. They voted. It was a very simple process. To mark the ballot, they put their finger in that ink that stayed on their finger for about 5 days. It was a mark. It was a sign not just that they voted, but it was a sign to the terrorists that if we see anybody with those purple fingers we are going to do harm to you. Yet the Iraqis when they finished voting, many of them, especially women who had never had the right to vote in their history, walked defiantly down the street holding up their hand and finger to show the world, especially the terrorists, that they were not going to be intimidated because freedom is that important.

So we traveled all over the country that day. Late that night we visited with the interim president of Iraq. And he said to us about midnight in a very somber, emotional way, but serious, that this day in Iraq would never have taken place if it were not for the American youth who were there. He was serious. He and the Iraqi people are grateful for this concept of freedom.

That is what the United States does. We did that in World War II. We set up those democracies in Germany and Japan. People said that would never happen because of those totalitarian countries; yet those countries are democracies today. They are world powers, and they are our allies.

Who is to say that in a few years the same thing may not happen in Afghanistan and Iraq. I would not trade anything for being there on election day.

Mr. KING of Iowa. Mr. Speaker, I appreciate that narrative. I wanted to be there that day. I was not able to set the trip up to make it work; but I recognize, as you clearly did and Mr. SHAYS clearly did, that was the best place in the world to be on that day.

Mr. POE. No question about it. It was a very moving experience.

Mr. KING of Iowa. I remember watching the pictures as they unfolded on television and the Iraqis coming out of their polling booths with their purple fingers in the air, proud that they had made a mark for freedom and defiant about the threat to their lives that was supposed to keep them away from the polls.

As I recall that day, 50 people were murdered, 108 polling places were attacked. And I believe on the October 15 elections, we were down to about 19 polling places were attacked. I do not know how many casualties there were. It is far safer for the ratification of the Constitution on October 15 than it was in January when you were there.

On top of that, you did not go to Baghdad or on up to Kirkuk or down to Basr or some place where it might have been more stable. You went to Fallujah. What a place to be to see that happen. I know that is a memory you will never forget.

□ 1815

I appreciate the gentleman's contribution down here night after night, the things the gentleman stood for, the things I stand for, and I sometimes wonder, if I have to check my conscience, I will go down to Texas and check with you.

I have a number of thoughts to roll out here. But I think before I go on into those thoughts, I have an opportunity, I see the gentleman from Arizona (Mr. FRANKS) here, my good friend, another individual that if I need to check my conscience, I know where to go down to Arizona and check with that. But also the gentleman's vision and his commitment to this country and this Constitution, he is a fine colleague that sits with me on the Constitution Subcommittee of Judiciary, where we stand up for those foundational values together.

Mr. Speaker, I would be pleased to yield such time as he may consume to the gentleman from Arizona (Mr. FRANKS).

Mr. FRANKS of Arizona. I thank the gentleman from Iowa (Mr. KING). I have to say that probably there is no way to explain what a precious honor it is in my life to be able to stand on this floor with people like Mr. POE, and Mr. KING and the gentleman that stands on the Speaker podium tonight, Mr. MCHENRY. These are people that I believe are Valley Forge Americans, and we are all very fortunate in this country to see them in this place.

Mr. Speaker, our brave men and women in uniform have always fought desperately to preserve those unalienable rights of life, liberty and the pursuit of happiness that is endowed by the Creator himself. And that is exactly what they are doing right now in Iraq, and we should all be deeply grateful for that, Mr. Speaker.

One of the things that I am desperately worried about is whether the people in this body and in this republic itself truly understand what we are facing, not only as a Nation, but as a western civilization. The question we must ask ourselves is not whether we can win this war, we must win this war. The question now is what will happen if we do not.

Mr. Speaker, I am so concerned that this Nation does not really understand that we are at war with an ideology, an ideology that threatens the existence of the free world. This war did not begin on 9/11. This war began many years ago when certain Muslim extremists embraced a divergent Islamist dogma that dictates that all infidels must die. Our Nation was first attacked during its very beginnings in the late 1700s by the Barbary terrorists of the day. And more recently, we were attacked in 1979 in Iran. Our embassy and our marine barracks were attacked in Beirut in 1983. The first World Trade Center attack was in 1993, Mr. Speaker, and we still did not wake up to what was happening. Our military complexes and soldiers have been targeted throughout the world. The Khobar Towers in Saudi Arabia in 1996. Our embassies were blown up in Tanzania and Kenya in 1998. We witnessed the attack on the USS *Cole* in 2000.

And Mr. Speaker, just 1 year later, on September 11, terrorists murdered 3,000 American civilians on our own soil. And I wonder, have we actually forgotten that? Since then our soldiers and contractors have been kidnapped and executed, their bodies mutilated and dragged through the streets. And we are not alone, Mr. Speaker. This is taking place throughout the world. In Serbia and Bosnia, soldiers, POWs and civilians were beheaded by Mujahadin. In Beslan, Russia, 186 children and 158 teachers and parents were slaughtered in a terrorist attack against a grade school. And just a few weeks ago, Mr. Speaker, in Indonesia, three young

girls on their way to school were attacked and beheaded by Muslim extremists. Their names were Theresa, Ida and Alfreda. Churches are being attacked. Pastors have been kidnapped, tortured and beheaded, and it seems there is not a day that goes by without some suicide bomber or some car bomb attack in Iraq. And we have witnessed the horrific bombings in Spain and London and Indonesia and Jordan and Israel. And just today, Mr. Speaker, in Bangladesh. We simply cannot deny that we are fighting a war against enemies with an evil ideology that is bent on the destruction of the western world. They are committed to killing us and any others they hold to be infidels. Mr. Speaker, we truly are at war, and to undermine the sacrifice and blood-bought advancements of our valiant American soldiers who are, at this very moment, fighting terrorists in Iraq is unconscionable, Mr. Speaker.

A Nation divided against itself cannot stand. Those of us in this body, along with all Americans, must unite against this evil. We must win this war in Iraq. We must give our troops our unequivocal support, and we must give them everything else in our power to finish this job. Our troops have never failed us, and Mr. Speaker, we, in this body must not fail them. If freedom is to survive, to allow Islamist terrorists to declare victory in Iraq is not an option. We must win and we cannot win if we leave before this job is done, because if we leave too soon, Mr. Speaker, we will not be able to just go on about our daily lives as we once did because the world truly has changed, and those without conscience are relentlessly seeking to destroy us. And we must not let them have even the slightest hope of victory, not ever, Mr. Speaker. God bless America.

Mr. KING of Iowa. I appreciate the gentleman's contribution to this debate. And you have really, you set the tone, I think, that I am going to need to have to carry out the balance of this time that we have here.

I think too about parts of history and how far back we go and how our military set such a tradition for so many years. And as I stepped away from this microphone the last time, I had taken us to this point, I think I made the point that it cannot be stated that there were no weapons of mass destruction and be rational about it, because you cannot prove a negative. And we know that they existed.

So setting that argument aside, I will just say when it comes out, it is bogus, they will pound on it until they get embarrassed and embarrass themselves. So we will hear it more. We will hear it every night down here. But one of the things that I can move along to, maybe expand this discussion a little bit is to go back then to that point that I was making earlier, that point about why we went to war in the civil war and what the objective of that war was.

Now, the objective was to save the union. And anything that you read about Lincoln in his earlier debates and his efforts and his decisions that he made along that process, it was a super human effort all targeted to save the union. And part of freeing the slaves, yes, it was something that was in his heart.

He conceded that Dred Scott was actually a constitutional decision, but we needed to amend the constitution to eliminate slavery. Lincoln had so much respect for the constitution that he made that point. But he had so much respect for the binding nature of our Constitution that it was an irrevocable agreement between the States, that he was willing to stay at war and the cost in that civil war was over 600,000 American lives, over 600,000 American lives at a time when our population was perhaps a third of what it is today or less.

So that was the greatest loss of humanity ever in a conflict in this country, and yet, he stuck to the central purpose, save the union, save the union, save the union. In 1863, the subject came up on whether to sign the Emancipation Proclamation. A great and powerful leader and one of the most profound stories of leadership that I have ever read throughout history comes back to the question, as he sat down with his cabinet, and there was the Emancipation Proclamation to free the slaves, and he asked his cabinet, gentlemen, what say you? And they started on his left and it went around the table at the cabinet table and the first member of his cabinet said Mr. President, I advise you do not sign it, and here are the reasons why.

And the second and the third and the fourth and so on until it got around to the last member of the cabinet. And each member of the cabinet said, Mr. President, do not sign the Emancipation Proclamation. Some of the reasons were we are at this to save the union. Some other, well do not confuse the issue. Some of them were political reasons of the time that I do not have a feel for today. But as President Lincoln, in his singular motivation to save that union, listened to their recommendation, do not sign the Emancipation Proclamation, he said, well, gentlemen, the ayes have it. And he stepped forward with great courage and leadership and he signed the Emancipation Proclamation. He did not really free anybody south of the Mason Dixon line because we did not have jurisdiction down there at the time. We were at war with the South.

It didn't really free anybody north of the Mason Dixon line because the people north of the line were free. But what it did is it set up an image and a goal and a dream and it mobilized some people that had been mobilizes for a long time to abolish slavery, and it became historically, looking back on that, now we are taught we fought the civil war to free the slaves. So how can it be that here we are today, when a civil war began to save the union, it ended to save the union, but history interpreted it to mean that it was about the freedom of slavery, which I absolutely think it was worth the price. How can we sit here today and say we did not find mass quantities, great warehouses full of weapons of mass destruction, therefore all the rest of this is illegitimate. When did the United States decide that we did not free people? When did we decide that liberation of humanity was not a worthy cause? When did we decide that going to war, if it had multiple reasons, if one of those reasons did not meet your standard over here on the other side of the aisle, then all the rest of it is illegitimate.

There were plenty of reasons and whole constellations of reasons to go into Iraq and, in fact, there really was not a choice. If you sit down and analyze the circumstances at the time, there really was not a choice. Saddam Hussein did not give President Bush a choice. And I think, well, I do not know what Saddam was actually thinking. But if we went to the war to save the union in the Civil War and it became to free the slaves, and by the way, in about 1898, when the USS Maine was sunk in Havana Harbor, it is still at the bottom of that harbor, by the way, and the mast and the anchor are out here at Arlington Cemetery. But the Maine is at the bottom of the harbor.

And we went to war against the Spaniards because, and history can reanalyze this, we believed that we were attacked by the Spaniards and the ship was scuttled in a hostile act and that triggered the Spanish American War. Sure, there was tensions that brought that about and you can argue about the details. Some will say that the USS Maine really was not sunk by a hostile attack. Some will say it was an explosion in the magazine that sunk it to the bottom of Havana harbor. Some will say it was a pretext for war. We went to war just the same and defeated the Spanish in the Spanish American War that began in 1898. And I will tell you that one of the things we did as a result of that war, we went to the Philippines. Now, was that consistent with the reason for the war in the first place?

Was there something about sinking the Maine down there in Havana Harbor that would cause us to send the Marines to the Philippines? Well, you can argue that either way too, but I can tell you that I listened to a speech by President Arroyo of the Philippines a couple of 3 years ago here in Washington, D.C. at a hotel. She said thank you America. Thank you for sending the Marine Corps to the Philippines in 1898. Thank you for liberating us. Thank you for bringing us freedom. Thank you for teaching us your free enterprise, your way of life, your rule of law. Thank you for sending the missionaries over here that made us a Christian Nation. Thank you for sending 10,000 teachers to the Philippines so that we would learn your way of life and the American values and we could

learn English. And English is the national language of business and commerce. And today, 1.6 million Filipinos go throughout the world. They can get a job about wherever they want to because they have the language skills that are universal. They send their money back to the Philippines. A result of a detonation of an explosion in the hull of the USS Maine in Havana Harbor in 1898 where it sits at the bottom of that harbor yet today. The result are free people in the Philippines. When did the United States give up on liberating a people? When did we give up on our culture and our way of life and projecting that way of life throughout the world? When did we give up on our legacy of western civilization? Whose idea is that, to cut and run because what?

The reasons that you think maybe were what justified it do not quite uphold the way you would analyze that today. What kind of idea is that? What were the circumstances when we were attacked by Pearl Harbor? And by the way, September 11, 2001, I remember where I was, I was on the road on my way up to a county fair. My wife called me on the phone and said turn on the radio, there has been a plane that crashed into one of the Twin Towers. I turned on the radio and a few minutes later a second plane crashed into the Twin Towers. And the individual that was riding with me was a World War II veteran and the first words out of his mouth were Pearl Harbor. I will never forget that tone in his voice. The second plane into the Twin Towers made it clear it was not an aerial accident. It was a planned, stealth attack against civilians in the United States of America, the worst attack ever on our soil, and it was not against a military installation. It was against civilians. Pearl Harbor. Pearl Harbor happened December 7, 1941. It was the anniversary just a couple of days ago, Mr. Speaker.

□ 1830

We went to war. We declared unconditional war against our enemies, and a few days later, Hitler declared war on us from Europe. Now we were involved in a two-front war. What was the objective of our declaring war on the Japanese in the first place? Unconditional war, that it would be total and unconditional surrender of the Japanese. Then we found ourselves in Europe, fighting a two-front war, which the Germans had found was not very successful, but for the United States it has been. We put troops on the east, we put troops in the west and in the South Pacific. And we were successful on both fronts of that war. Was there a clamor in this country at the time to say we were attacked at Pearl Harbor; what are we doing fighting Germans? What was the idea of that?

And, by the way, all the people that were liberated around this globe as a result of the Second World War are all beneficiaries. Look at the Japanese today, their culture, their economy, their prosperity. The size of their economy compared with the rest of the countries' in the world is fantastic considering the population and the limitations that they have geographically living on that island. They are well off today as a country, and a big part of that has been the result of the reconstruction afterwards and the liberation that came to them. They were living under an imperialistic Japan.

So this idea that the American people do not liberate anyone, that freedom is not a goal of a war is just simply false throughout history.

And there are other examples throughout history, and I am wondering if the gentleman from Arizona might have one to add to that. I noticed the look in his eye.

I am happy to yield to the gentleman from Arizona.

Mr. FRANKS of Arizona. Mr. Speaker, I thank the gentleman from Iowa (Mr. KING) for yielding to me.

I have to say to the gentleman I am just sitting here cheering him on because I think he is dead on target here.

Always throughout history, our history, we have held to the notion in our Declaration of Independence that all men are created equal, that there is something intrinsically valuable about people and, therefore, their freedom was worth protecting and defending. And I think that when he has pointed out that we faced this battle between freedom and despotism for a long time, it is such a foundational issue.

And I am not sure that we all understand how the war has changed a little bit. The basic foundation is the same, but the war has changed a little bit with terrorism. When we were fighting in World War II, when the war was over, we had the Cold War, and in a sense we based our safety upon the sanity of our enemy. We had this thing called ''mutually assured destruction.'' We had an enemy that cared about their own people, that did not want them to perish. So there was a peace in a sense because there was a concern about innocent human beings.

The kind of war that we face now is a war with terrorists who do not seem to have any sort of concern for innocent human life, and that makes them very dangerous. When they stand there and cut someone's head off, screaming before the world, I think that we need to understand we are up against a mindset that is either going to grow within the world or it is going to be crushed out of the world because if we let that thing get away from us, it could literally change everything.

And I think that is why it comes back down to this thing called Iraq. I am not sure that we all understand that in the mindset of the terrorists that Iraq is sort of the frontline. It is a symbolic battle. And if we somehow fail in Iraq, we, I believe, will activate this ideology within the terrorist world that will cause them to be able to recruit more and essentially begin to germinate throughout the planet. And I am not sure that the country, or really the world, understands just how serious a challenge that we really face.

And so I think that the gentleman is right on to point out that there has always been this battle for freedom throughout history, and if we stop now, as our Forefathers fought for freedom for us so that we can stand on this floor in freedom, if we do not build our step in the stairway of freedom for our future generations, then we really fail the cause that we have called to action tonight and always on this floor.

And, again, I just think that the President has understood that. I think he understands that in order to fight terrorism that we have to be on the offensive, that we cannot let this ideology that if a knife that cuts someone's head off could become a nuclear weapon, how much it would change our concept of freedom forever. And we have to win in Iraq. We have to see that beachhead of freedom established in the Middle East. It could germinate and see the whole of humanity turn in a better direction if we continue to do our job here.

Mr. KING of Iowa. Mr. Speaker, I thank the gentleman for his comments.

He did bring up another war that I did not include in this when he mentioned the Cold War. The Cold War went on for perhaps 45 years, beginning shortly after World War II and ending, I am going to say, November 9, 1989, when the wall went down in Berlin. And it took about 2, 2½ years for freedom to echo all the way across Eastern Europe. But the liberation that took place at the culmination at the Cold War, and it was a glorious victory. We say a bloodless victory, and I have stood on this floor and called it a bloodless victory. But it was not without price. The mutually assured destruction, the millions of men and women that needed to be mobilized, the capital that had to be poured into the research and development to be ahead of the Soviet Union it came to the arms race, and not just the price in treasure but the price in blood as well.

There is a price in blood as a price to be ready, Mr. Speaker, and we do not often talk about it. I asked the Pentagon to put some numbers together for me so I had a sense of that. I wanted to know how many of our soldiers in uniform die in the line of duty not at the cause of combat but perhaps at the cause of an accident, a training accident, for example, an on-duty accident, an in uniform on-duty accident. And I had them look back through a whole number of years, and I put that together and I boiled it down into a figure that I could at least commit to memory so that I could put it into proportion and talk about it in a way that made sense.

The number that they gave me worked out to be an average of 505 American lives lost every year during peaceable activities in uniform, deaths as a price to be ready to go into combat. Five hundred and five Americans a

year. Now, that is the average that takes place during the 1990s up until the year 2001. The average prior to that, during the Cold War, I do not know that number, and their records were not very available. But I would suspect it would be greater, not less because we have more safety, not less, and we had more people in uniform, not less. But I took that number and just said 500 a year, and as the gentleman from Arizona (Mr. FRANKS) was talking, I multiplied it across the 45 years of the Cold War. And the number I came up with was 22,500 American lives. That gives us a sense of the magnitude of the price of winning the Cold War, not to add the treasure. That is the blood. That is the sacrifice. There is a price to be ready.

There is another whole price out here that is paid for our freedom that is never acknowledged by the pessimists on the other side of the aisle, and that is that price to be ready. And it is measured in this victory in the Cold War, 22,500 lives perhaps. A quick scratch here on the paper is all that supports that statement and some good information to support it. But with that number of lives, hundreds of millions of people were liberated in the aftermath of the Cold War. When the Iron Curtain descended down across Europe and those people lived for 45 years behind the Iron Curtain in a kind of a world where we were in full technicolor and they were living in black and white, it gives us a sense of how bad it was where they did not have free enterprise, did not have opportunity, did not have freedom. And today they do.

And, by the way, the most recent people who have achieved freedom are the ones that cherish it the most. They are the ones that are the most eager to be part of our coalition forces in Iraq to defend the freedom of the Iraqi people.

So this price for freedom has been great, but the value has been astonishing. The pessimism on the other side of the aisle has been stupendous. And I have brought some posters along to talk about what happens when we send a pessimistic message from this Congress; from the leaders of this country; from the people who are viewed, at least on the other side of the ocean, as the quasi-leaders of the United States of America. And I will start with Muqtada al-Sadr.

This individual here, Mr. Speaker, decided to put his own militia together, Sadr City, Baghdad, in a region south of Baghdad. And his militia attacked coalition troops, American troops. His militia did not fair very well, and it took some really severe, and he has decided a few times that he kind of likes getting involved in politics as opposed to being a general of a militia because it is far less hazardous to be in politics there in Iraq. But I was sitting in Kuwait City on one of my trips over there at night, waiting to go into Iraq early the next morning. I turned the television on to al-Jazeera TV. I always, when I am in a foreign country, want to know what is going on; so I turn on the local channel.

Al-Jazeera is the local channel for the Arab world. And there in Arabic out of his mouth came, with English subtitles, what I will never forget. And this is the date that I was sitting in that hotel room, June 11, 2004, al-Jazeera: ''If we keep attacking Americans, they will leave Iraq the same way they left Vietnam, the same way they left Lebanon, the same way they left Mogadishu.''

Where does Muqtada al-Sadr get an idea like that? What encourages him to continue the insurgency and the attacks on Americans and the recruitment of his people and his militia? What encourages him to raise the money and build the bombs and do the things that they have done? And this is not the worst enemy we have over there, by the way. He is not the biggest demon that we have. But it was just the circumstance that I heard this from the television screen while I was in Kuwait. Where does he get his motivation? Why does he think this is true?

Well, there is the legacy of Vietnam. And these people over here every night that are dragging down our administration and undermining our military are the political descendants of the ones that dragged down our devotion to our military and our support for them during the Vietnam era. In the aftermath of Vietnam when Congress voted to shut off all funding for all military efforts in all of South Vietnam and ground every airplane that was flying air cover over the South Vietnamese, and a few months later, we saw the North Vietnamese army sweep through there, and we were lifting people off the U.S. Embassy in Saigon.

Why? Not because the South Vietnamese would not fight any longer but because the will and the commitment to support them disappeared over here, and the rug was jerked out from underneath not just our military but underneath the military of South Vietnam. And in the aftermath, they say they saved lives. We know 3 million people died in that part of the world in the aftermath of not keeping our commitment with the South Vietnamese military.

That message resounds today and echoes throughout the Middle East, echoes throughout al Qaeda. ''The Americans will leave Iraq the same way they left Vietnam, Lebanon, Mogadishu.'' Is that hard to figure out, then? They watch American TV too. I imagine they turn on C–SPAN and watch this every night and cheer and pop their popcorn and they have a good time seeing that their argument is being supported on the floor of this Congress every night for 1 or 2 hours. They build more bombs, not less, Mr. Speaker. That puts American soldiers' lives at risk. Bombs cost American soldiers lives. That is on the conscience of the people that are leading this country in that wrong direction.

Now, on the chance that one might think that this is a coincidence that Muqtada al-Sadr just picked up this Vietnam idea on his own, maybe he read a comic book somewhere or watched C–SPAN or watched the Congress here and our Special Orders. Here is a statement made by Zawahiri, Osama bin Laden's second in command. He is al Qaeda. He is a more dangerous enemy than Muqtada al-Sadr. In February of 2004, in a letter to al Qaeda, he wrote: ''The collapse of American power in Vietnam,'' they ran and left. It sent a message, did it not, to Zawahiri? We know it sent a message to Osama bin Laden. It sent a message to Muqtada al-Sadr. It sent a message also to other leaders of al Qaeda. It gave them hope. It gave them spirit. It caused them to have more energy, more courage, more will, more resourcefulness to attack coalition troops and to attack Americans. Is that a hard thing to figure out?

If that is a hard thing to figure out, Mr. Speaker, then I need to make this point very, very clear. In all of those wars that Mr. FRANKS and I talked about throughout this course of history, in the Civil War, in the Spanish-American War, in the Second World War, and the Cold War and other wars in between, what are the conditions by which a war is over? Not because somebody over here passes a resolution and says we are going to pick a date on when we are going to be deployed out, the cut-and-run date. We cannot set a date for the end of a war if the war is not finished. Wars are over when the losing party realizes and understands that they have lost. That is how a war gets over. You have got to convince the enemy that they cannot win, and you do that through violence.

Yes, all history knows that. But when it is a relentless pounding from the other side of the aisle and the quasi-leaders of the United States of America and they stand up here and say the war cannot be won, people like Zawahiri, Muqtada al-Sadr, Saddam Hussein, Osama bin Laden, do they not hear that message? Is it not something that encourages them? Do they not think that the will of the American people is being broken because they hear that relentless message every single day coming out of this Congress, coming out through the media? In fact, I would suspect that Saddam Hussein probably has a higher opinion of the United States of America than some of our mainstream media do, listening to some of them out there.

□ 1845

The pessimistic message that gets pounded out of here, that gets run through the mainstream media, that is supported by some people from the other body, that is supported by other leaders, quasi-leaders in this country, gets through to people like Zawahari, Zarqawi, Muqtada Al-Sadr, Osama bin Laden. If you doubt that, Mr. Speaker, if any one doubts that, I have another poster for you.

There he is. The face and the voice of the Democratic Party, the leader of the left. One of the inspirational voices that mobilizes the other party for pessimism, negativism, and attacks. This individual whom we know pretty well, Howard Dean, DNC chairman, spent a lot of time in my home State of Iowa, about a year and a half in there.

He was there most of the time going through the counties and the cities. I will grant him, he worked very hard running for President. And this is the picture that I think has been made famous by that mainstream news media that finally did turn on one of their own. I do not think he quite deserved the hit that he took over that.

But that frustration from the scream, his failure to win the caucuses in Iowa and his failure to win the nomination on through that process did not really come from the scream. The scream was a result of, but the people who met him in the coffee shops and the living rooms understood the real man here, the man here that says, ''The idea that we are going to win is just plain wrong.''

Do you not think these other people I put up here see this man as a leader of the United States of America, the voice of the Democratic Party, the almost-majority in the House of Representatives? Of course they do. And they hear this message: the idea that we are going to win is just plain wrong.

Now, if you had seen your troops decimated like al Qaeda has, if you had watched 3,000 of them disappear from your ability to utilize them in combat, in battle, 3,000 every month, those that are either killed or captured, and you do not see that in the mainstream news media, that is a number that does not come out here anywhere that I can find. But I can tell you that that is the number that has been the average over the last several months, 3,000 of the enemy off the streets, killed and captured.

So that has got to be dispiriting to them. We are losing casualties. It hurts us. It breaks the confidence of the people on the other side of the aisle. What would our confidence be if it were 3,000 of ours lost every month instead of the numbers that we are facing today?

So what happens? This man stands up and says the idea that we are going to win is just plain wrong. Well, if you are all beaten down after your 3,000th casualty for the month, and if you are looking for some optimism, here is the place to go. There are plenty of voices over here that bring this optimism for the other side.

They keep mentioning the Vietnam War. That is the only war that the liberals ever won; they just won it for the wrong side, Mr. Speaker, and are trying to win another one. They have got so much invested in failure in Iraq, they could not abide by that.

So I would ask this other side of the aisle, define victory. I will define it. We have had this sequence of it that took place. We listened to the gentleman from Texas (Mr. POE) talk about being in Iraq during the elections, the first free elections in January, with the purple fingers in air, 8½ million Iraqis voted.

We went through sequence of liberations, martial law, a Coalition Provisional Authority under Paul Bremer and handed over to a civilian government until such time as they could set up the elections, which they did in January, and they elected then a provisional parliament, an interim temporary parliament whose job it was to write the Constitution. On October 15 then they ratified their Constitution.

And 10 days later we had leaders of this country that were speaking against the effort and undermining their freedom. And now here we are just a few days from a real election in Iraq that finally culminates this whole process and gives them a legitimate sovereignty in Iraq, one that will select a prime minister, gives them the ability now to take this massive amount of oil wealth that they have, market some oil contracts for development so that they can start to get this cash-flow coming back into Iraq, lift that country up.

They are just dilapidated and depreciated from 35 years of neglect. We have given them a little shot in the arm, $18.5 billion. The number was wrong over here, by the way, last night. It was not 87 billion that went in there to rebuild Iraq. It was 18.5. The balance was for the military. But 18.5 billion of that, 12½ the Army invested, and the balance of that was scattered through some other entities. That was like the down payment on your house that gets them started.

They will be certified December 15. There is hope. There is freedom. We must stick it out.

30-SOMETHING WORKING GROUP

The SPEAKER pro tempore (Mr. MCHENRY). Under the Speaker's announced policy of January 4, 2005, the gentleman from Florida (Mr. MEEK) is recognized for 60 minutes.

Mr. MEEK of Florida. Mr. Speaker, it is an honor to appear before the House again this evening. My colleague on the other side and I, we are here almost every night.

I just wanted to say the new government, of course the election will take place December 15. They will not be seated until March. I know that sometimes we are having to close and say things and we are under the clock. They are going to be seated in March. Then we are going to have to wait to see how they feel about us, the United States of America, not having a plan as it relates to being able to draw down our troops, allow a NATO force to go in. I just left there the week before. I met with General Dewey talking about the NATO force that is going to come in after hopefully we start to draw down our troops.

So we have to allow that process to take place. But I do appreciate some of information you shared tonight with Members of the House. Thank you for your service here.

Mr. Speaker, I cannot help but tell you that the 30-Something Working Group, we continue to work hard, not only working hard on behalf of the people that we represent in our given districts throughout the country, but also representing the entire population of the United States of America.

As you know, and I have mentioned night after night, this is truly the people's House. You cannot be appointed to the U.S. House of Representatives; you have to run. If someone resigns or leaves the House for some reason, a special election is set by the Governor.

If a Senator were to leave, as we see right now, the Senator of New Jersey was elected Governor of that State, he has to make the decision on who he wants to fill that seat. That will be by appointment. That individual will serve until that next election until that term is out.

But not in the House. So that is the reason why we are like on the frontlines of providing the American people with the kind of leadership that they deserve. Now, I want to talk a little bit about leadership and responsibility. I also want to compare, in a way, because, Mr. Speaker, I hope and I wish and my prayer is that there can be a paradigm shift here in the House of Representatives, a paradigm shift in a way that we can all work together in a bipartisan way on a number of issues.

I think the issues that we are facing now, there is a health care crisis in this country, could be addressed in a bipartisan way. I think some of the issues that some Members of the House brought up as it relates to Social Security, we are definitely concerned about some of the issues that are facing Social Security.

But the majority side tried to ram it down the throats of the American people to privatize Social Security versus fixing Social Security in a way that it will be here for generations beyond the 50 years that it is already set to provide the services at today's levels to the recipients of Social Security, need it be disability or retirement or survivor benefits.

In a bipartisan way, we can move in that direction. That is what the American people want. As it relates to making sure that we can keep U.S. jobs on U.S. soil, we can do that in a bipartisan way. And I must say bipartisan, because when the Democrats were in the majority, we did do things in a bipartisan way. Right now we are under an environment, we are as partisan as we can be, not because we have the control to make ourselves partisan, it is the fact that we cannot have input in making sure here in this House on the Democratic side, we are not allowed to have the kind of input, because the majority believes so shall it be written, so shall it be done.

Just watch what we do. If you question us, we will insult you, or we would

say, oh, well, you do not quite know what is going on. Oh, you just want to derail our plan. Why do we not have a unified plan for America? And that is what Americans are calling for.

I want to talk a little bit about the budget, talk about the responsibility that we must have as we start moving forward. We want this country to strengthen, not only in security, but also in unity, and make sure that we protect the environment, and make sure that we protect the homeland as it relates to homeland security, to make sure for the very individuals that are getting sand in their teeth now, be it Operation Enduring Freedom in Afghanistan or Iraq, we have to make sure that we run this country in a way that it should be run, so that not only this generation but future generations can celebrate not only personal finance but also making sure that they are safe.

The Republicans passed the $54 billion cuts in the budget. I must say that it is quite crippling, Mr. Speaker. The Republican majority will add to the deficit some $8 trillion under what the majority calls, Mr. Speaker, a deficit reduction. We passed a budget of $52 billion today. We took action today to increase the budget by $8 trillion. That is according to the Department of Treasury.

It is important to also let every American know that this number is inching up. In the 108th Congress, it was lower. The beginning of this Congress, it was even lower. But now it is higher: $6,983.89 cents every American owes as it relates to the debt. You would have some believe or have Americans believe and some Members believe here in this Congress that we are doing the right thing by the American people by putting them further into debt.

It is almost like the high-interest credit card that you receive in the mail. I get them all the time. I mean, they mail credit cards to me. Sign right here. No problem. Interest free for the first 3 months. But in the fine print, I must say in this Congress on the majority side there is a lot of fine print. There is a $75 annual fee that will be tacked onto the credit card even before you use it. Just by you signing it and mailing it back in, that is $75.

And then the interest rate goes up, if you read the fine print, if you are late on one payment. It goes up to a 24 percent interest rate, because you signed that contract.

Well, the American people went into the ballot box on a given Tuesday in a given community to vote for representation, not for individuals to exploit the fact that they are here to represent them and turn their head when proposals are put forth that can help save the American taxpayer money in the short and long run.

And so we are going to talk a little bit tonight about what we call here in Washington, D.C., the Potomac two-step. We are going to talk about what some people call in parts of the country ''hoodwink.''

So we want to make sure that people understand what is going on here with third-party validators, not just fiction, not just what they say, or not just what some unidentified Member said on the floor. We are going to make sure that the Members know exactly what is going on, how it is going on, and when it is going on. It is going on right now.

I always say, Mr. Speaker, when the historians look at the 109th Congress, they are going to be looking at fiscal irresponsibility. They are going to say, how did this happen? How did we try to nation-build in Iraq when we had leaders, be it the executive branch or Members here in the Congress, say we are not in the business of nation-building? Now we are in the business of nation-building.

We are in the business of nation-building in a foreign land. We do not want anyone else to be a part of it. We do not want folks to come in and be a part of what we have to do to be able to allow the Iraqi Government to move in a direction so they can be self-sufficient. We must take the training wheels off the Iraqi Government.

Being a Member of the Armed Services Committee, I must add, Mr. Speaker, it is important that we give them some direction as it relates to security forces and as it relates to the responsibility of their very own government. And whatever internal conflicts that may go on on that given plan, if we may see it from the leadership, not just talking about we are going to have complete victory without really looking at how you are going to bring about complete victory, but if we are going to continue to stay and spend the taxpayers' money when U.S. cities are hurting, and when the American people are hurting, then we really have to look at our checks and balances.

□ 1900

That is the only thing I can share with the Members. All we can do is what we present here in the Congress. We play under the rules of the majority side. But I believe the American people, they do have a voice in this.

Now, I would feel a little uncomfortable talking about that, Mr. Speaker, if I did not see poll after poll that the American people disagree with what the administration is saying, with what the White House is saying, with what the majority of Republicans are saying. So I can see if I was all by myself in saying, folks do not necessarily feel that. I do not know what the Democrats are talking about. I do not know what the 30-something Working Group folks are talking about in Congress. No, we are talking about what the American people are talking about, and we are here to give them voice.

Going back to this budget, $12 billion in Medicaid cuts over the next 5 years; $12 billion in Medicaid cuts over the next 5 years; $47.7 billion in Medicaid over 10 years. The Democratic budget that we wanted to bring to the floor, we were not even allowed to bring to the floor under the rules. We did have it in the committee, made no cuts to Medicaid.

I think it is important that people realize what is happening. I am going to share these cuts and then we will talk about today's action. You have the Republican raid on student loan aid or student aid to help young people make it to college. $14.3 billion cuts in students aid programs. $14.3 billion. I am just going to let that sink in. $14.3 billion. And I think that is important for people to understand. $7.8 billion in new charges on student loans that students and parents borrow. That is $7.8 billion, everyday Americans, Democrats, Republicans, heartland, east coast, west coast, Northeast, Southeast, Northwest, east Texas. We are not discriminating where you are from.

The bottom line is that you will pay more in charges for student loans that you borrow to educate your children and educate yourselves. And the Democratic budget as it relates to student aid, zero cuts, zero. I am going to let that sink in. Zero. A typical student, an individual that graduates, is $17,500 in debt. Over the last 5 years, tuition has gone up 57 percent at public colleges and universities. Tuition has gone up 32 percent at private colleges and universities. Forty-one percent of college graduates have an average of $3,071 in credit card debt, and financial barriers already prevent 4.4 million high school graduates from attending college.

Now, that is today's statistics. By the time this budget passes, we will find ourselves in deep trouble right here again on this chart, Mr. Speaker. I want to make sure that the Members see this because these are the facts. It is not fiction. This is not something that was drawn up in the backroom and said, oh, we will just say that, we will just say that they did this. This is actually what happened in the budget that passed this House, the Republican budget.

Once again, a typical student graduates with $17,500 in debt. Over the last 5 years, tuition has gone up 57 percent in public colleges and universities. Tuition has gone up 32 percent in private colleges and universities. Forty-one percent of college grads average $3,071 in credit card debt, and financial barriers already prevent 4.4 million high school graduates from attending college.

Now, Mr. Speaker, what the Republican Congress has done to the American people they have done with the $14.3 billion in cuts in students aid programs, and then to turn around $7.8 billion in new charges, that means that this statistic is going to go up from 44 to possibly over 50 percent. You want to talk about responsibility and who is on your side and who is not?

We also have to look at the fact of what happened in this Republican

budget that affects rural America. I got a lot of cousins in the area called Montezuma, Georgia, and they are farmers. And they farm and they really look to their government for assistance because we have given other countries subsidies so that they compete against our farmers. A billion dollars in cuts, a billion dollars in cuts in farm programs in the Republican budget, rural development research and energy programs, cuts, $1.1 billion. Conservation programs cut by $760 million; $844 million reduction in the food stamp program.

Also, when you look at rural America, I have to add in the over-$650 million that they instructed the Republican majority budget, instructed the Committee on Veterans' Affairs to cut out of their budget over the next 5 years. And so I think it is important that people understand in rural America, veterans, farmers, people that are living in the heartland.

I was in Kentucky a couple of years ago. Folks that are out there trying to make themselves whole, educate their children, you are getting a double whammy. Number one, we will take the very programs that assist you in the little way the U.S. Department of Agriculture is able to assist you. But when this Republican majority gets finished with you, if you happen to be a farmer, you are going to have big problems because we are around here cutting the budget to do what? What we did today: to give millionaires tax breaks. That is the way this thing circles back around.

So let us just tell the whole story here. Let us just not flick and pick and say we will talk about this because that sounds good. Rural America, if you are a veteran, we have veterans clinics, not hospitals, clinics that are in rural America where they are only open one day a week now. When this Republican majority is finished with you, I do not know when it is going to be, once every 2 weeks, once a month. I mean, they are going to have to go in there and dust things off because they will not be able to operate it.

I am going to get this next chart here as it relates to what the Republican budget cuts, how it affects children. I just want to take about 4 more minutes here because I think it is important. And I want the gentleman to get the chart that talks about the $87,000 gift we gave to billionaires. I mean, what the Republican majority gave to billionaires today, and talk about what the hardworking Americans, what they have got, they got peanuts when people got folding dollars to put in their pocket. You cannot put $87,000 in your pocket. You just cannot do that. But what the everyday American got, they will be lucky if they can even squeeze a dinner out of it.

So let me talk a little bit more about this. The budget as it affects children, $4.9 billion in cuts from the child support enforcement programs, that is going to what, allow States attorneys and allow other agencies to go after deadbeat parents that walk out on their children and do not pay child support. We cut $4.9 billion, not million, not $4,900; 4.9, almost $5 billion from child support enforcement.

Now, I did not get one letter from a sheriff that said we want that to happen. I did not get one letter from a State's attorney that says we really appreciate the fact that you cut $4.9 billion from child support; it is going to make our job harder. As a result, parents will receive $7.1 billion less in child support over the next 5 years. I am going to say that again because that is one of those things that must sink in with the American people. Democrat, Republican, Independent, Green Party, whatever you are, nonvoter, just everyday hardworking American.

As a result of the Republican budget that passed this floor with Republican votes, not one Democrat vote for that budget that they passed, parents will receive $7.1 billion less in child support over the next 5 years and $21.3 billion less over the next 10 years; $577 million cut from child care. I am going to let that sink in.

AARP, the very organization that represents seniors in this country, was opposed to this budget in the Medicaid cuts. Here is the letter right here. This is not on my stationery. It is on AARP stationery. Editorial after editorial talked about the fact that Americans that are trying to struggle and they are trying to make it, I heard a lot of talk today about, well, you know, if the Democrats have their way, you will not even be able to buy gifts for your children. Oh, please. That is weaker than watered down tea or lemonade. I do not know if the Members ever had lemonade that is watered down. It does not taste good. As a matter of fact, it does not even look good. It looks like water.

I think it is important that the American people understand the bottom line is that people that make over half a million dollars are happy today. Corporations that have special interest contacts with the majority side and with the administration are happy today because once again they were able to bring about riches for them while the American people get crumbs. Watered down tea. Watered down lemonade.

As it relates to prescription drugs, still seniors will have an opportunity to do great things for them. We still have seniors. Guess what they were getting? Watered down and cut-in-half drugs that they cannot even afford the full dose. I just would like to ask the gentleman if he would break down, I mean, I talked about these cuts because these cuts, I was told by the majority side that they were to set the stage to decrease the budget, not increase the budget. Oh, we have to make sure that we no longer deficit spend. And today we turn around, or the majority turns around, and do exactly that.

Mr. RYAN of Ohio. The reason I think it is important that we are down here right now at 7:15 on a Thursday night when most Members have gone home is because we are talking about the future of our country. This is to run the deficit up another $30 billion in order to give tax cuts primarily to those millionaires. 45 percent of tax cuts that we passed today will go to millionaires. Forty-five percent.

Now 45 percent of taxpayers are not millionaires, but they are going to get 45. So it is totally disproportionate to the average income in the United States of America. Here is what we have been doing before today as far as the tax cuts go. And if you have made $441,000 and up, you have got on average $87,000 back. $87,000 back. And today the average millionaire is going to get $32,000 more back. And that is so you are talking about a millionaire getting well over $100,000, $130,000 because this is the average: $130,000 back in tax cuts.

You are talking about borrowing money from the Chinese Government, from the Japanese Government, from the Saudi Arabians in order to pay for this. We do not have money. We are not running a surplus right now.

Mr. MEEK of Florida. There is a war. There is a war going on.

Mr. RYAN of Ohio. This President has been the first President in the history of our country to cut taxes for the wealthiest Americans in a time of war. Where is the shared sacrifice? I mean, average people are struggling. I have a district that has thousands of Delphi workers, General Motors workers. We are hearing now that Ford is going to cut 30,000 jobs and close 10 plants in North America. These are the challenges that people in middle America are facing, and the time and energy of this body is spent figuring out a way to reduce the tax burden.

So I tell you what, if you make over a million dollars and you are out in America today, today has been a great day for you. This Congress has treated you pretty well. You are going to have a good holiday season probably for the next couple of years because of what has been happening.

□ 1915

Our obligation here is to represent the public. Our obligation here, when we swear to the Constitution, is to do what is best for the entire country and to do this in a couple of different ways.

We are running a $323 billion deficit projected for 2006, $323 billion that we are going to have to borrow in order to close the hole in the Nation's budget. We are borrowing that money from the Chinese, the Japanese, the Saudi Arabians and other countries.

At the same time, because we are running those huge deficits, we are also giving tax cuts to the wealthiest people in the country. So, if you make over $440,000, you are going to get on average $87,000, plus what we did today. So you are talking about closer to $100,000.

If you make between $34,000 and $54,000, that is what you get, $840. I think we said today that the average person who makes under $100,000, half of those people will get $30 back. So, if you make $100,000 a year, on average, half of those people will get $30 back today. That is not much of a middle class tax cut as far as I am concerned.

We are moving in the wrong direction. At the same time that we are borrowing money from the Chinese, running these huge deficits, cutting taxes for the wealthiest people in our country, at the same time we are doing that, we are also cutting programs here in the United States, the food stamp program, the college tuition program. The Pell grant program is being cut. The child support enforcement program which will help fund local county commissioners and local county organizations to go out and get deadbeat dads who are not paying their child support, that is what we are cutting.

It just does not make any sense, and I think the American people, when they start hearing this stuff, they intuitively know something wrong is happening. But I think when they hear the facts of what is going on in their government right now, this culture of corruption that is here is starting to make its way back into their households.

Let me make one final comment point. At the same time we are doing all this, the legislation that we are passing out of here is benefiting the interest groups that donate a lot of money to our friends on the other side, to the Republican majority, and this body, this Congress and this White House has been used as a sand box, as a trough to where the cronies, the Michael Browns who are running FEMA and the seven or eight top people at FEMA, this administrator who was over in Iraq who had $87 million to administer in the war and took a couple of hundred thousand in kickbacks, who was convicted of fraud in the 1990s, they hired him anyway because he was a crony of one of the administration officials. This is completely incompetence and an inability to govern, and these tax cuts are out of control, and they are happening at the expense of average people.

Again, today has been great day for the millionaires in the United States.

Mr. MEEK of Florida. Mr. Speaker, I hate to break in when you have a stream of thoughts that are there, but I wanted to just share just one moment, and I think it is important for us to realize, when you start talking about what is happening and how we got to where we are, Mr. Speaker, once again my famous chart we know we have to put more on to it.

Mr. RYAN of Ohio. There is more than that.

Mr. MEEK of Florida. We have to put more into this and we have to do more with this. Matter of fact, I want to make sure that staff get this on. It is factual. Matter of fact, it is from the department of the U.S. Treasury so this is not fiction. This is third party validators. I am going to possibly get this on my Web site if it is not already on there, on my House Web site, to make sure the American people understand what is happening to them.

$1.05 trillion this President has borrowed along with this Republican Congress here in this House and over in the Senate. Forty-two Presidents before this President, $1.01 trillion, 224 years, 1776 to 2000. I am going to say that again, year 1776 to the year 2000, $1.01 trillion borrowed from foreign Nations. From this government, one President, one Republican majority, $1.05 trillion.

Oh, we know exactly what we are doing on the majority side. They say, oh, yes, the Democrats, they do not have any thoughts on balancing the budget and making our country more sound financially; we have all the great ideas. Well, guess what, the great ideas have countries like China, Saudi Arabia, Japan, just to name a few, their hand in our cookie jar. They have a piece of the American pie right now, not because they took it. It is because the Republican majority gave it to them on a silver platter.

The Republican majority is saying we can go to war, we can Nation build in a foreign land, we can also give tax cuts to billionaires and millionaires and give the American people peanuts in a tax cut. The first time in the history of this country, there is a lot of record-breaking things that are going on here, and it is not all good. $1.05 trillion, Mr. Speaker, in money that foreign Nations that we borrowed from foreign Nations. That is making history in the wrong way.

I do not see anyone coming to the floor on the majority side saying guess what we have done, $1.05 trillion, we have borrowed more than 42 Presidents before this President and before this Republican House, we have done that. We have done it. We have accomplished that. No one is cheerleading about that. No one is willing to talk about that. So, if we want to level with the American people, let us tell them the truth. Go on to the U.S. Treasury Web site.

Mr. RYAN of Ohio. Some people say what does that have to do with the 30 Somethings, are we not supposed to talk about the interests of college education and child tax credits and that stuff? No. The future of our country is being placed in another country's hands, which gives up control of our own destiny because we are going to have to make payments.

It is just like when you go to a bank. You borrow money, you have to pay interest on that money, and we are borrowing it from the Chinese. We are going to have to pay interest on it, and the Chinese are taking that interest. They have a lot of State-owned companies that they are going to pump our money back into. It is bad enough that General Motors and Delphi and a lot of these other corporations are investing money into China. Now they are getting it from the American taxpayer, and the Chinese Government will invest that money into their economy, whether it is in the auto industry or some other industry. They will have that money invested into their economy, long term.

This is a dangerous proposition to not balance your budget in the United States of America, and we are Democrats. We believe in a balanced budget. We believe in fiscal discipline. This long-term recklessness coming from the Republican party and Republican leadership is putting our country in danger, not just danger, grave danger.

Mr. MEEK of Florida. Mr. Speaker, let me just say this. I will not say it is the Republican party because I know some Republicans that are upset about what this Republican majority has done to the deficit. You know why we can speak with meaning and with backing on the Democratic side? Because we have actually balanced the budget and took it into surplus when we were in control of this House, Mr. Speaker. That is not fiction. That is fact.

So for folks that run around here and talk about what could be, what we will have if we do this and are using these words, going out and taking polls and saying how can we John Wayne this thing with the one liner, let me tell you something. The reality is here in America we are weakening a country, not a foreign country, weaken a country, not the special interests that come down here and from Shakedown Street like Mr. RYAN said, weaken a country. We are the ones carrying the voting cards. We are the stewards of this government. We are the Americans that were chosen out of many to come to this House and represent the people of the United States, not represent special interests, not represent the billionaires that are saying keep the tax cuts going while I watch a war on CNN and MSNBC and WorldNews Tonight as entertainment, saying, oh, wow, another bomb. That is not what they sent us up here for. They sent us up here to lead. We have to make the tough decisions, and I want to say this.

It is important that we take our job seriously, in a serious way, and when we come to this floor this is not political rhetoric. I have gone to Iraq twice, not because someone asked me to go. It was because I wanted to go. I met with our troops. I have talked to our troops, our soldiers, Marines. I have talked to the commanders. We are both on Armed Services. We have heard it since the war started what they have been telling us, what the President has been telling us, what the Iraqis have been telling us.

Now it is time to lead. It is time to lead in the way of making sure we make right decisions, not only on what happens in Iraq, but what happens here in the United States of America, period.

So I think it is important. Folks can have as many press conferences as they want to have. We need to have action

in giving the American people the direction that they are asking for. One poll says 28 percent, another poll says 33 percent approval rating because they want more leadership out of us. They want better and more sound ideas out of us.

Mr. Speaker, they want a bipartisan approach to the issues that are facing Americans today, and they do not see it. That is the reason why they are frustrated, and they are frustrated because they understand what the Republican majority is doing, not allowing Democrats to be able to put amendments on legislation, not allowing Democrats to offer their budget here on this floor, not allowing Democrats to play a vital role in making sure that this country is on equal footing with other countries.

So when folks want to talk about being partisan, that is a party game. That is a political game. That is not an American game. What I am saying is that the real issue here is the fact that, yes, we come to the floor and point out the fact that we are working in a culture of corruption and cronyism and incompetence. You know something, if somebody gets upset about that, anybody gets upset about that, that is a personal problem because it is going on.

This is not the Kendrick Meek/Tim Ryan Report. It is not the 30 Something Report. This is reality. You pick up the paper. You watch the news. We have got investigations going on over in the White House. We have got investigations going on here in the Congress, and at an unprecedented rate, national security breaches. This is by the majority that says trust us, we are the folks that you can trust. So I think it is important that we point that out.

Pointing that out, does that mean now we can cannot play in this democracy with the ideas that we have, ideas to be able to help this country become even stronger? That is in the job. We come to Congress to strengthen the country, not to weaken a country financially, and so I think it is important that we realize that.

We said last night you cannot run a business, you cannot go to talk to shareholders and say, listen, do not worry about it. We know that the business, it is like with Enron, the company. It is not like they can go to their shareholders and admit, well, you know, we know that we have a culture of corruption and cronyism and incompetence and we know that even when it has been pointed out, it still continues here in the corporate headquarters, but do not worry, everything's going to be okay. We know we are borrowing money and we are running deficits, but if we just stay the course, we will end up coming out some kind of way. That CEO will be fired on the spot.

Mr. RYAN of Ohio. Mr. Speaker, we know when the shareholders ask the leaders of the corporation, we want to see the books, we want to see what is going on, the leaders of the corporation or the business cannot say no, no, no, you are not allowed to see that.

Mr. MEEK of Florida. If they ask to see the books and they ask to take part and are trying to help with the problem, trying to get out of the hole that you are in a financial way and they are called, well, you must be a mole from another company; no, you are not really with us, name calling, attacks. That will not happen because the bottom line is that they will not allow it.

□ 1930

So here in the Congress, we have to make sure as it relates to this culture of corruption and cronyism and incompetence that we should not allow it to happen.

That is the reason why the hour before, I mean some folks say, why would you give the Speaker credit? I give the Speaker credit by saying there should be some ethics courses here in this House. That is a start, okay? If we have a problem, first we have to say we have a problem and then we can be on the road to recovery.

But if we deny that we have a problem, if we look at the front page of the paper and say, oh, I just do not want to read it today because it is talking about what is happening in the workplace, well, that may be okay if you are in a private company somewhere and you do not have stockholders and it is your money, that is your deal; but when you have the American people and you are using their money and you are making decisions on behalf of a country and you are not willing to look at the issues that are facing us right now as relates to governance, then you are making your problem the American people's problem and the taxpayers' problem.

Mr. RYAN of Ohio. And to take the analogy even further with the business, how can you just keep going on borrowing, borrowing, borrowing, borrowing, borrowing? That is all we are doing right now. This is the national debt today, $8.120 trillion. That is a lot of money, $8 trillion.

Mr. MEEK of Florida. Right.

Mr. RYAN of Ohio. And each person at home owes $27,000.

We have a notice today that we are going to finish up next week and we are all going to go home for the holidays, Christmas and Hanukah. I cannot wait to get to our Christmas Eve party. We have a Christmas Eve party every year. My mom is Italian, and my Uncle Joe Guerra, who lives in Florida now, is in charge of the sauce. He is going to be making the sauce, and he is going to ask me, what did you do last year in Congress? And I am going to say, well, Uncle Joe, you owe $27,000 to the national debt, and the country has borrowed $8 trillion, and that is what we all owe. And as I stated a couple of hours ago when we were here, Nicholas John Ryan, born 3 weeks ago to my brother and his wire Carrie, he owes $27,000, just like that.

Now that is no way to run a country. And when the Democrats are talking about balancing the budget and we talk about making some tough decisions and maybe having to go ask a millionaire to maybe pay their fair share in order to reduce the debt and to reduce the annual deficits that we are running, we cannot find anyone with any courage on the other side. But when they have the opportunity to cut Medicaid, to cut the free and reduced lunches, to cut the budget for child support enforcement agencies in our local communities, who go out and try to get money from deadbeat dads, that is where they want to get the money from.

Now, we are not saying that government does not need reform, that we do not need to streamline it. But does it not start with a lot of these contractors in Iraq? We are spending a $1.5 billion a week in Iraq, Mr. Speaker. A week. We are building dams in Iraq, roads in Iraq, schools in Iraq, training people in Iraq, training health care workers in Iraq and teachers in Iraq, and the outfit on the other side is cutting free and reduced lunches in the United States of America. They do not have the courage to go and ask a millionaire to maybe give up just a few thousand dollars of his tax cut, Mr. Speaker.

This is about leadership. We are at a critical point in the history of the United States of America, Mr. MEEK. We are in a war in Iraq, we are in a war in Afghanistan, and we have huge budget deficits. A $323 billion budget deficit is projected for next year, yet we cut taxes tonight for millionaires up to the tune of $32,000 per, after giving them over $100,000 over the course of the last few years.

Are these good decisions long term for the United States of America? Because, again, we do not have surplus money to give back to millionaires in the form of tax cuts. We are running deficits. And what countries do when they have a deficit is the same thing a family does when they have an annual deficit. You have to borrow the money or you have to get out the credit card. And that is what this country is doing right now. We are putting the future of the United States of America on a credit card.

And we are asking the next generation, the same generation that we are asking to pay double the tuition that they paid 4 or 5 years ago, increasing the fees for student loans, increasing the burden of taxes on the middle class, we are going to also ask that generation to pay the national debt off; and to try to somehow close this gap by borrowing the money from the Chinese and making sure that they pay back our debts that we are borrowing from the Chinese, the Japanese, and the Saudi Arabians at the same time we are spending $1.5 billion and a half a week in Iraq.

Now, one final point. You voted for the defense appropriations bill. So did I.

Mr. MEEK of Florida. That is correct.

Mr. RYAN of Ohio. You voted for probably almost every supplemental for the war in Iraq.

Mr. MEEK of Florida. Yes, sir.

Mr. RYAN of Ohio. And so did I. We are not going to have our troops in a forward area and have them not have what they need.

Mr. MEEK of Florida. That is correct.

Mr. RYAN of Ohio. But to make these cuts on the backs of the middle class and the poor in this country at the same time, at the same exact time, and this is almost funny, this would be funny if it was not so sad, at the same time we are giving millionaires tax cuts.

Now, people at home, Mr. Speaker, who hear this and read about it in the morning newspapers have got to think this place is a mad house, that it is schizophrenic. Two wars, $1.5 billion a week in Iraq, and we are cutting taxes. Tuition doubles, and we are cutting taxes for millionaires. Poverty rate goes up in Cleveland, in the State of Ohio, one of the highest poverty levels in the country. I think it was rated the poorest city in the country. We are cutting taxes for millionaires. Katrina. We have people living in their cars still, over the holiday season.

Mr. MEEK of Florida. Being evicted.

Mr. RYAN of Ohio. Being evicted. I mean, come on, we can do better than this, KENDRICK. And that is what we are saying.

Mr. MEEK of Florida. If the gentleman will yield.

Mr. RYAN of Ohio. I would be happy to yield.

Mr. MEEK of Florida. Mr. RYAN, I think it is important that we realize that the President is talking about the economy in Iraq and is talking about infrastructure, yet ignoring infrastructure here at home; talking about boosting oil production in Iraq while ignoring soaring energy costs here that have, in some cases, risen three times more than what Americans spent last year.

He went down to New Orleans and gave a speech saying that we are going to build New Orleans back and it will be a shining example and it will be a city we can all be proud of because I will make sure, meanwhile the State legislature is trying to figure out how it is going to pay its share of the money that the Federal Government is saying it has to pay. And it literally has no economy right now.

We have children now within this budget that they will not have free and reduced lunches, but meanwhile, the children of Iraq and the people of Iraq have universal health care. We have mayors now trying to figure out how they are going to meet their budgets. They are laying off workers, which equals fewer services for the people that pay taxes in those local cities and governments, because they have to pick up some of the Federal responsibility, where we have cut programs and opportunities for cities like the COPS program and many other programs like it.

There are issues as relates to making sure that we secure our airlines and have a national transportation plan as it pertains to security. We are encouraging people to not drive so much, yet we do not want to provide U.S. cities with what they have asked for. They have asked for interoperability, to make sure if there is a terrorist attack or there is an event that takes place, a natural disaster, that they would have the resources to be able to talk to one another in order to save lives. That still has not happened.

These are all issues, Mr. RYAN, that we on the 30-something side and on the Democratic side have already addressed with legislation that has been filed, filed from Democratic Members of Congress, ranking members on the committees of said jurisdictions to bring about the kinds of change we have talked about.

So when we get into the long and short-term effects of what this Republican Congress is doing under a culture of corruption and cronyism and incompetence, and when I say here in Washington, D.C., that that is an accepted practice, then we wonder why things are the way they are. You do not have to wonder. You know why.

So it is important that we clear some of this stuff up and, hopefully, if we keep hammering at the door, that there will be a bipartisan approach to move this country forward, Mr. RYAN.

Mr. RYAN of Ohio. Well, just to back it up, and we used this earlier, because we like third-party validators. This is from the Economic Policy Institute, www.epi.org, the conclusion of a report they put together regarding a briefing paper. It is called ''The Boom That Wasn't.'' ''The economy has little to show for $860 billion in tax cuts.'' This is from the EPI. I did not do this. ''A review of economic performance over the last 4 years indicates that the series of major tax cuts enacted in that time have not strengthened the economy. Almost every broad measure of economic activity, GDP, jobs, personal income, and business investment, among others, has fared worse over the last 4 years than in past cycles.'' Let me repeat that. ''Has fared worse over the last 4 years than in past cycles. Proponents of the series of major tax cuts since 2001 had projected that gauges such as these would reflect improvements after enactment.'' The Boom That Wasn't. Because we were not cutting them for the middle class, we were cutting them for wealthy people.

And I just want to say that I do not have anything against people who make a lot of money. In fact, God bless you. That is great. But you have an obligation. You benefit from what is happening. And what is happening now in our country, and we have talked about this, I know privately a lot and here a bit, who is investing in the country? We are giving tax cuts to millionaires, yet they are investing their money into China. They are putting it in a bond fund or a mutual fund that is an international fund, or they are investing in the stocks of private companies, publicly-owned companies that are investing into China.

We are cutting taxes, and those people are giving their money over there. Delphi, General Motors, General Electric, all these companies are investing in China. And here is what the Democrats want to do to just kind of talk a little about what you were doing.

Another problem we have is the amount of engineers that some of these other countries are producing. Just this year, engineering degrees in China, 600,000; engineering degrees in India, 350,000; and engineering degrees in the United States, 70,000.

So what the Democrats are proposing is to make an investment into the people, into the technology that is going to get this number where it needs to be. You cannot have a high number here when you have 70 percent of the kids in all of these school districts, inner-city school districts around the country living in poverty. You cannot get that number up when you have kids in rural areas that do not have the skills that they need.

One of the other things we want to do in the Democrat plan. America ranks 16th in broadband penetration. Here is Korea, per 100 inhabitants, 24.9; then China; then Iceland; then the United States of America. And the Democratic caucus here in the House has a proposal, should we get the reins of government next year, that we will have a proposal together to put broadband access in every home in the next 5 years.

□ 1945

You want to create a strong economy; you want to get people all over the country in rural areas and inner cities, in poorer communities to start generating wealth. An automobile plant is not going to set itself in Youngstown, Ohio again. A Delphi facility is not going to locate in Warren, Ohio, and hire 10,000 people any more. If the leadership on the Republican side does not wake up and recognize the country is suffering because of this, then we are going to continue down this long road that is leading us to nowhere.

When we have Iceland that has higher broadband penetration than the United States of America, that is a shame. I was telling Ms. WASSERMAN SCHULTZ I was doing some research for what we were going to do today, and I got into some of the great initiatives of the United States, and I ran across President Kennedy's speech in the early 1960s about going to the Moon. I mean, talk about setting out an agenda and leading.

Where is it?

The Democratic Caucus that is here has proposal after proposal that cannot even make it to the floor for the American people to evaluate. We offer in

committees amendments that get voted down on a party-line vote. We are trying to improve this country, and we are being shut down because the Republican majority has to cut taxes for millionaires. We want to improve this.

In 5 years, if the Democrats had control of this Chamber and the Senate and the White House, we would have a proposal that would begin to penetrate communities all over the country with broadband access.

I want to make one final point.

This is a poverty program, this right here, this innovation program that the Democratic Caucus has put together and the majority leader has put together. We want to penetrate these communities, and we want these young kids who if they miss this great technological boom, if they get caught on the wrong end of this digital divide that we have in the country, they are not going to be creating wealth in our communities. They are going to be on Medicaid and on the earned income tax credit and need public assistance.

We want to make investments now into these communities, not for the sake of saying we helped these poor kids out, but because those kids want opportunity. If presented with opportunity, like broadband access, like access to the Internet and the latest technology, these kids will achieve.

But if this kid does not get broadband access in his school and he does not have it at home and then he is asked to go out and compete with the Chinese engineer who makes $10,000 a year, he is not going to be able to do it; she is not going to be able to do it. We have to get on the stick here. We have to wake up and start leading this country.

Mr. MEEK of Florida. Mr. Speaker, this will not only help individuals out of poverty, but this will help educate America.

Mr. RYAN of Ohio. That is right.

Mr. MEEK of Florida. Mr. Speaker, I want Members to be able to go onto the Web site. We are not down here to talk about fiction; we are here to talk about fact and make this country stronger. The Web site is www.housedemocrats.gov. I want my colleagues to go on, look at the Democratic plan. Hopefully, we can move in a bipartisan way to strengthen America.

I think it is important that we share with Members because we like to hear from Members and we like to be challenged by Members and get information from Members on both sides of the aisle, and that is just the way it is.

I think as we come back next week, I think that some of the issues that we should be addressing are issues that are very, very important to the American people and hopefully in the last week before we go on break we can work in a bipartisan way in moving this country forward.

Mr. RYAN of Ohio. Mr. Speaker, the Web site is www.30somethingdems@mail.house.gov, and I want to thank Mr. MEEK for his leadership. He is down here every night, sometimes 2 hours a night, dedicating himself. He has two young kids at home, a beautiful wife that you leave to come down here to promote this message. I know it is difficult sometimes to balance work and family, and I want to say I am really thankful for your leadership on this, and you are really an inspiration to all of us.

Mr. MEEK of Florida. Mr. Speaker, I thank Mr. RYAN and Ms. WASSERMAN SCHULTZ; and with that, it was an honor once again to address the House, and I want to thank the Democratic leadership for the time.

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. SCHIFF) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

Mr. EMANUEL, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. WYNN, for 5 minutes, today.

Mr. UDALL of New Mexico, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mrs. MALONEY, for 5 minutes, today.

(The following Members (at the request of Mr. POE) to revise and extend their remarks and include extraneous material:)

Mr. FRANKS of Arizona, for 5 minutes, today.

Mr. ENGLISH of Pennsylvania, for 5 minutes, today.

Mr. JONES of North Carolina, for 5 minutes, December 13 and 14.

Mr. DUNCAN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. PENCE, for 5 minutes, today.

ADJOURNMENT

Mr. MEEK of Florida. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 50 minutes p.m.), under its previous order, the House adjourned until Monday, December 12, 2005, at noon.

OATH FOR ACCESS TO CLASSIFIED INFORMATION

Under clause 13 of rule XXIII, the following Members executed the oath for access to classified information:

Neil Abercrombie, Gary L. Ackerman, Robert B. Aderholt, W. Todd Akin, Rodney Alexander, Thomas H. Allen, Robert E. Andrews, Joe Baca, Spencer Bachus, Brian Baird, Richard H. Baker, Tammy Baldwin, J. Gresham Barrett, John Barrow, Roscoe G. Bartlett, Joe Barton, Charles F. Bass, Melissa L. Bean, Bob Beauprez, Xavier Becerra, Shelley Berkley, Howard L. Berman, Marion Berry, Judy Biggert, Michael Bilirakis, Rob Bishop, Sanford D. Bishop, Jr., Timothy H. Bishop, Marsha Blackburn, Earl Blumenauer, Roy Blunt, Sherwood Boehlert, John A. Boehner, Henry Bonilla, Jo Bonner, Mary Bono, John Boozman, Madeleine Z. Bordallo, Dan Boren, Leonard L. Boswell, Rick Boucher, Charles W. Boustany, Jr., Allen Boyd, Jeb Bradley, Kevin Brady, Robert A. Brady, Corrine Brown, Sherrod Brown, Henry E. Brown, Jr., Ginny Brown-Waite, Michael C. Burgess, Dan Burton, G. K. Butterfield, Steve Buyer, Ken Calvert, Dave Camp, John Campbell, Chris Cannon, Eric Cantor, Shelley Moore Capito, Lois Capps, Michael E. Capuano, Benjamin L. Cardin, Dennis A. Cardoza, Russ Carnahan, Julia Carson, John R. Carter, Ed Case, Michael N. Castle, Steve Chabot, Ben Chandler, Chris Chocola, Donna M. Christensen, Wm. Lacy Clay, Emanuel Cleaver, James E. Clyburn, Howard Coble, Tom Cole, K. Michael Conaway, John Conyers, Jr., Jim Cooper, Jim Costa, Jerry F. Costello, Christopher Cox, Robert E. (Bud) Cramer, Jr., Ander Crenshaw, Joseph Crowley, Barbara Cubin, Henry Cuellar, John Abney Culberson, Elijah E. Cummings, Randy ''Duke'' Cunningham, Artur Davis, Geoff Davis, Jim Davis, Jo Ann Davis, Lincoln Davis, Tom Davis, Susan A. Davis, Danny K. Davis, Nathan Deal, Peter A. DeFazio, Diana DeGette, William D. Delahunt, Rosa L. DeLauro, Tom DeLay, Charles W. Dent, Lincoln Diaz-Balart, Mario Diaz-Balart, Norman D. Dicks, John D. Dingell, Lloyd Doggett, John T. Doolittle, Michael F. Doyle, Thelma D. Drake, David Dreier, John J. Duncan, Jr., Chet Edwards, Vernon J. Ehlers, Rahm Emanuel, Jo Ann Emerson, Eliot L. Engel, Phil English, Anna G. Eshoo, Bob Etheridge, Lane Evans, Terry Everett, Eni F. H. Faleomavaega, Sam Farr, Chaka Fattah, Tom Feeney, Mike Ferguson, Bob Filner, Michael G. Fitzpatrick, Jeff Flake, Mark Foley, J. Randy Forbes, Harold E. Ford, Jr., Jeff Fortenberry, Luis G. Fortuño, Vito Fossella, Virginia Foxx, Barney Frank, Trent Franks, Rodney P. Frelinghuysen, Elton Gallegly, Scott Garrett, Jim Gerlach, Jim Gibbons, Wayne T. Gilchrest, Paul E. Gillmor, Phil Gingrey, Louie Gohmert, Charles A. Gonzalez, Virgil H. Goode, Jr., Bob Goodlatte, Bart Gordon, Kay Granger, Sam Graves, Al Green, Gene Green, Mark Green, Raúl M. Grijalva, Luis V. Gutierrez, Gil Gutknecht, Ralph M. Hall, Jane Harman, Katherine Harris, Melissa A. Hart, J. Dennis Hastert, Doc Hastings, Alcee L. Hastings, Robin Hayes, J. D. Hayworth, Joel Hefley, Jeb Hensarling, Wally Herger, Stephanie Herseth, Brian Higgins, Maurice D. Hinchey, Rubén Hinojosa, David L. Hobson, Peter Hoekstra, Tim Holden, Rush D. Holt, Michael M. Honda, Darlene Hooley, John N. Hostettler, Steny H. Hoyer, Kenny C. Hulshof, Duncan Hunter, Henry J. Hyde, Bob Inglis, Jay Inslee, Steve Israel, Darrell E. Issa, Ernest J. Istook, Jr., Jesse L. Jackson, Jr., Sheila Jackson-Lee, William J. Jefferson, William L. Jenkins, Bobby Jindal, Sam Johnson, Eddie Bernice Johnson, Nancy L. Johnson, Timothy V. Johnson, Walter B. Jones, Stephanie Tubbs Jones, Paul E. Kanjorski, Marcy Kaptur, Ric Keller, Sue W. Kelly, Patrick J. Kennedy, Mark R. Kennedy, Dale E. Kildee, Carolyn C. Kilpatrick, Ron Kind, Steve King, Peter T. King, Jack Kingston, Mark Steven Kirk, John Kline, Joe Knollenberg, Jim Kolbe, John R. ''Randy'' Kuhl, Jr., Ray LaHood, James R. Langevin, Tom Lantos, Rick Larsen, John B. Larson, Tom Latham, Steven C. LaTourette, James A. Leach, Barbara Lee, Sander M. Levin, Jerry Lewis, John Lewis, Ron Lewis, John Linder, Daniel Lipinski, Frank A. LoBiondo, Zoe Lofgren, Nita M. Lowey,

Frank D. Lucas, Daniel E. Lungren, Stephen F. Lynch, Connie Mack, Carolyn B. Maloney, Donald A. Manzullo, Kenny Marchant, Edward J. Markey, Jim Marshall, Jim Matheson, Doris O. Matsui, Carolyn McCarthy, Michael T. McCaul, Betty McCollum, Thaddeus G. McCotter, Jim McCrery, James P. McGovern, Patrick T. McHenry, John M. McHugh, Mike McIntyre, Howard P. ''Buck'' McKeon, Cynthia McKinney, Cathy McMorris, Michael R. McNulty, Martin T. Meehan, Kendrick B. Meek, Gregory W. Meeks, Charlie Melancon, Robert Menendez, John L. Mica, Michael H. Michaud, Juanita Millender-McDonald, Brad Miller, Jeff Miller, Gary G. Miller, Candice S. Miller, Alan B. Mollohan, Dennis Moore, Gwen Moore, Jerry Moran, James P. Moran, Tim Murphy, John P. Murtha, Marilyn N. Musgrave, Sue Wilkins Myrick, Jerrold Nadler, Grace F. Napolitano, Richard E. Neal, Randy Neugebauer, Robert W. Ney, Anne M. Northup, Eleanor Holmes Norton, Charlie Norwood, Devin Nunes, Jim Nussle, James L. Oberstar, David R. Obey, John W. Olver, Solomon P. Ortiz, Tom Osborne, C. L. ''Butch'' Otter, Major R. Owens, Michael G. Oxley, Frank Pallone, Jr., Bill Pascrell, Jr., Ed Pastor, Ron Paul, Donald M. Payne, Stevan Pearce, Nancy Pelosi, Mike Pence, Collin C. Peterson, John E. Peterson, Thomas E. Petri, Charles W. ''Chip'' Pickering, Joseph R. Pitts, Todd Russell Platts, Ted Poe, Richard W. Pombo, Earl Pomeroy, Jon C. Porter, Rob Portman, Tom Price, David E. Price, Deborah Pryce, Adam H. Putnam, George Radanovich, Nick J. Rahall, II, Jim Ramstad, Charles B. Rangel, Ralph Regula, Dennis R. Rehberg, David G. Reichert, Rick Renzi, Silvestre Reyes, Thomas M. Reynolds, Harold Rogers, Mike Rogers, Mike Rogers, Dana Rohrabacher, Ileana Ros-Lehtinen, Mike Ross, Steven R. Rothman, Lucille Roybal-Allard, Edward R. Royce, C. A. Dutch Ruppersberger, Bobby L. Rush, Paul Ryan, Tim Ryan, Jim Ryun, Martin Olav Sabo, John T. Salazar, Loretta Sanchez, Linda T. Sańchez, Bernard Sanders, Jim Saxton, Janice D. Schakowsky, Adam B. Schiff, Jean Schmidt, Allyson Y. Schwartz, John J. H. ''Joe'' Schwarz, David Scott, Robert C. Scott, F. James Sensenbrenner, Jr., José E. Serrano, Pete Sessions, John B. Shadegg, E. Clay Shaw, Jr., Christopher Shays, Brad Sherman, Don Sherwood, John Shimkus, Bill Shuster, Rob Simmons, Michael K. Simpson, Ike Skelton, Louise McIntosh Slaughter, Adam Smith, Christopher H. Smith, Lamar S. Smith, Vic Snyder, Michael E. Sodrel, Hilda L. Solis, Mark E. Souder, John M. Spratt, Jr., Cliff Stearns, Ted Strickland, Bart Stupak, John Sullivan, John E. Sweeney, Thomas G. Tancredo, John S. Tanner, Ellen O. Tauscher, Gene Taylor, Charles H. Taylor, Lee Terry, William M. Thomas, Mike Thompson, Bennie G. Thompson, Mac Thornberry, Todd Tiahrt, Patrick J. Tiberi, John F. Tierney, Edolphus Towns, Michael R. Turner, Mark Udall, Tom Udall, Fred Upton, Chris Van Hollen, Nydia M. Velázquez, Peter J. Visclosky, Greg Walden, James T. Walsh, Zach Wamp, Debbie Wasserman Schultz, Maxine Waters, Diane E. Watson, Melvin L. Watt, Henry A. Waxman, Anthony D. Weiner, Curt Weldon, Dave Weldon, Jerry Weller, Lynn A. Westmoreland, Robert Wexler, Ed Whitfield, Roger F. Wicker, Heather Wilson, Joe Wilson, Frank R. Wolf, Lynn C. Woolsey, David Wu, Albert Russell Wynn, Don Young, C. W. Bill Young,

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5544. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule — One-Year Post-Employment Restrictions for Senior Examiners [Docket No. R-1230] received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5545. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule — Fair Credit Reporting Medical Information Regulations [Regulation V and FF; Docket No. R-1188] received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5546. A letter from the Counsel for Legislation and Regulations, Department of Housing and Urban Development, transmitting the Department's final rule — Release in the Public Use Database of Certain Mortgage Data and Annual Housing Activities Report (AHAR) Information of the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) [Docket No. FR-4947-F-02] (RIN: 2501-AD09) received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5547. A letter from the Regulations Coordinator, CMS, Department of Health and Human Services, transmitting the Department's final rule — Federal Enforcement in Group and Individual Health Insurance Markets [CMS-4091-F] (RIN: 0938-AN35) received November 22, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5548. A letter from the Director, Office of Legislative Affairs, Federal Deposit Insurance Company, transmitting the Corporation's final rule — Deposit Insurance Coverage; Accounts of Qualified Tuition Savings Programs Under Section 529 of the Internal Revenue Code (RIN: 3064-AC90) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5549. A letter from the Director, Regulations Policy and Management Staff, Food and Drug Administration, transmitting the Administration's final rule — Medical Devices; General and Plastic Surgery Devices; Classification of the Low Energy Ultrasound Wound Cleaner [Docket No. 2005P-0366] received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5550. A letter from the Deputy Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule — Establishment of New License Exception for the Export of Reexport to U.S. Persons in Libya of Certain Items Controlled for Anti-Terrorism Reasons Only on the Commerce Control List [Docket No. 051028279-5279-01] (RIN: 0694-AD57) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5551. A letter from the Deputy Assistant Secretary for Export Administration, Department of Commerce, transmitting the Department's final rule — Revision of License Requirements and Licensing Policy, and Increased Availability of License Exceptions for Certain North Atlantic Treaty Organizations (NATO) Member States [Docket No. 051020273-5273-01] (RIN: 0694-AD61) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5552. A letter from the Federal Liason Officer, Patent and Trademark Office, Department of Commerce, transmitting the Department's final rule — Provisions for Claiming the Benefit of a Provisional Application with a Non-English Specification and Other Miscellaneous Matters [Docket No.: 2005-P-053] received October 28, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5553. A letter from the Rules Administrator, Bureau of Prisons, Department of Justice, transmitting the Department's final rule — Bureau of Prisons Central Office, Regional Offices, Institutions, and Staff Training Centers; Removal of Addresses From Rules [BOP-1136-I] (RIN: 1120-AB36) received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5554. A letter from the Rules Administrator, Bureau of Prisons, Department of Justice, transmitting the Department's final rule — Good Conduct Time: Aliens With Confirmed Orders of Deportation, Exclusion, or Removal [BOP-1112-F] (RIN: 1120-AB12) received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5555. A letter from the Rules Administrator, Bureau of Prisons, Department of Justice, transmitting the Department's final rule — Civil Contempt of Court Commitments: Revision To Accommodate Commitments Under the D.C. Code [BOP-1113-F] (RIN: 1120-AB13) received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5556. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Rolls-Royce plc RB211 Trent 875, 877, 884, 884B, 892, 892B, and 895 Series Turbofan Engines [Docket No. 2001-NE-17-AD; Amendment 39-14265; AD 2005-01-15R1] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5557. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Honeywell Flight Management System (FMS) One Million World (1M or 700k) Data Bases (9104 Cycle or Ea as Installed in, but Not Limited to, McDonnell Douglas Model MD-MD-11F Airplanes, Boeing Model 747-400 Series Airplanes, and Boe Model 757 and 767 Airplanes [Docket No. FAA-2005-22585; Directorate Identifier 2005-NM-041-Amendment 39-14328; AD 2005-20-31] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5558. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Pratt & Whitney JT8D-200 Series Turbofan Engines [Docket No. 96-ANE-35-AD; Amendment 39-14339; AD 2005-21-01] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5559. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Bell Helicopter Textron Model 212, 412, and 412EP Helicopters [Docket No. FAA-2005-22634; Directorate Identifier 2005-SW-12-AD; Amendment 39-14335; AD 2005-20-38] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5560. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; McDonnell Douglas Model DC-9-14, DC-9-15, and DC-9-15F Airplanes; and McDonnell Douglas Model DC-9-20, DC-9-30, DC-9-40, and DC-9-50 Series Airplanes [Docket No. FAA-2005-21140; Directorate Identifier 2004-NM-274-AD; Amendment 39-14273; AD 2005-19-08] (RIN: 2120-AA64)

received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5561. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747 Airplanes [Docket No. FAA-2005-20364; Directorate Identifier 2004-NM-186-AD; Amendment 39-14274; AD 2005-1909] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5562. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; British Aerospace Model HS 748 Airplanes [Docket No. FAA-2005-22625; Directorate Identifier 2003-NM-213-AD; Amendment 39-14331; AD 2005-20-34] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5563. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; The Cessna Aircraft Company Models 401, 401A, 401B, 402, 402A, 402B, 402C, 404, 411, 411A, 414, 414A, 421, 421A, 421B, 421C, 425, and 441 Airplanes [Docket No. FAA-2005-21173; Directorate Identifier 2005-CE-22-AD; Amendment 39-14321; AD 2005-20-25] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5564. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Rolls-Royce plc RB211 Trent 875, 877, 884, 884B, 892, 892B, and 895 Series Turbofan Engines [Docket No. 2001-NE-12-AD; Amendment 39-14319; AD 2005-20-23] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5565. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A340-211, -212, -311, and -312 Airplanes [Docket No. FAA-2005-22614; Directorate Identifier 2005-NM-035-AD; Amendment 39-14324; AD 2005-20-27] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5566. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Dowty Aerospace Propellers Type R321/4-82-F/8, R324/4-82-F/9, R333/4-82-F/12, and R334/4-82-F-13 Propeller Assemblies [Docket No. 2001-NE-50-AD; Amendment 39-14306; AD 2005-20-12] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5567. A letter from the Program Anlayst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A319-100 Series Airplanes; Model A320-111 Airplanes; Model A321-200 Series Airplanes, and Model A321-100 and -200 Series Airplanes [Docket No. FAA-2005-20874; Directorate Identifier 2004-NM-279-AD; Amendment 39-14311; AD 2005-20-17] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5568. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 727 Airplanes [Docket No. FAA-2005-21085; Directorate Identifier 2004-NM-252-AD; Amendment 39-14307; AD 2005-20-13] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5569. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-100, -200, and -200C Series Aiplanes [Docket No. FAA-2005-21138; Directorate Identifier 2004-NM-131-AD; Amendment 39-14310; AD 2005-20-16] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5570. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A300 B4-620, A310-304, A310-324, and A310-325 Airplanes [Docket No. FAA-2005-22032; Directorate Identifier 2005-NM-049-AD; Amendment 39-14308; AD 2005-20-14] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5571. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; McDonnell Douglas Model DC-10-10 and DC-10-10F Airplanes; Model DC-10-15 Airplanes; Model DC-10-30 and DC-10-30F (KC-10A and KDC-10) Airplanes; Model DC-10-40 and DC-10-40F Airplanes; Model MD-10-10F and MD-10-30F Airplanes; and Model MD-11 and MD-11F Aiplanes [Docket No. FAA-2005-21594; Directorate Identifier 2005-NM-067-AD; Amendment 39-14309; AD 2005-20-15] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5572. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 737-100, -200, -200C, -300, -400, and -500 Series Airplanes [Docket No. FAA-2005-21346; Directorate Identifier 2005-NM-031-AD; Amendment 39-14336; AD 2005-20-39] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5573. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 757-200, -200CB, and -200PF Series Airplanes [Docket No. FAA-2005-20726; Directorate Identifier 2004-NM-265-AD; Amendment 39-14337; AD 2005-20-40] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5574. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A330-200 and -300 and A340-200 and -300 Series Airplanes [Docket No. FAA-2005-20221; Directorate Identifier 2004-NM-173-AD; Amendment 39-14329; AD 2005-20-32] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5575. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; BURKHART GROB LUFT — UND RAUMFAHRT GmbH & Co KG Modes G103 TWIN ASTIR, G103A TWIN II ACRO, and G103C TWIN III ACRO Sailplanes [Docket No. FAA-2005-20441; Directorate Identifier 2003-CE-35-AD; Amendment 39-14322; AD 2003-19-14 R2] received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5576. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 727, 727C, 727-100, and 727-100C Series Airplanes [Docket No. 2003-NM-238-AD; Amendment 39-14330; AD 2005-20-33] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5577. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-100, 747-100B, 747-100B BUD, 747-200B, 747-300, 747SP, and 747SR Series Airplanes [Docket No. FAA-2005-20880; Directorate Identifier 2003-NM-229-AD; Amendment 39-14327; AD 2005 20-30] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5578. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A320-111 Airplanes; and Model A320-200, A321-100, and A321-200 Series Airplanes [Docket No. FAA-2005-21862; Directorate Identifier 2005-NM-091-AD; Amendment 39-14333; AD 2005-20-36] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5579. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Aviointeriors S.p.A. (formerly ALVEN), Series 312 Box Mounted Seats [Docket No. FAA-2005-20848; Directorate Identifier 2005-NE-02-AD; Amendment 39-14323; AD 2005-20-26] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5580. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa de Aeronautica S.A. (EMBRAER) Model EMB-135BJ, -135ER, -135KE, -13KL, -135LR, -145, -145ER, -145MR, -145LR, -145XR, -145MP, and -145EP Airplanes [Docket No. FAA-2005-20223; Directorate Identifier 2004-NM-193-AD; Amendment 39-14334; AD 2005-20-37] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5581. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 757-200, -200PF, and -300 Series Airplanes, Powered by Pratt & Whitney PW2000 Series Engines [Docket No. FAA-2005-20137; Directorate Identifier 2004-NM-96-AD; Amendment 39-14338; AD 2005-20-41] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5582. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Boeing Model 747-100, -200B, -200F, -200C, -100B, -300, -100B SUD, -400, -400D, and -400F Series Airplanes; and Model 747SR Series Airplanes [Docket No. FAA-2005-10917; Directorate Identifier 2004-NM-85-AD; Amendment 39-14312; AD 2005-20-18] (RIN: 2120-AA64) received November 16, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5583. A letter from the Regulations Coordinator, CMS, Department of Health and Human Services, transmitting the Department's final rule — Medicare Program; Hospice Care Amendments [CMS-1022-F] (RIN: 0938-AJ36) received November 22, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5584. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Section 415 Regulations and Preexisting Plans [Notice 2005-87] received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5585. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Permitted Disparity in Employer-Provided Contributions or Benefits (Rev. Rul. 2005-72) received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5586. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — 2006 Limitations Adjusted As Provided in Section 415(d), etc. [Notice 2005-75] received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5587. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Administrative, Procedural, and Miscellaneous (Rev. Proc. 2005-76) received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5588. A letter from the Acting Chief, Publications and Regulations Branch, 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. 2005-75) received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5589. A letter from the Acting Chief, Publications and Regulations Branch, Internal Revenue Service, transmitting the Service's final rule — Retail Industry — Audit Technique Guide (ATG) — received November 29, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5590. A letter from the Regulations Coordinator, CMS, Department of Heath and Human Services, transmitting the Department's final rule — Medicare Program; Electronic Submission of Medicare Claims [CMS-0008-F] (RIN: 0938-AM22) received November 22, 2005, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Ways and Means and Energy and Commerce.

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. SENSENBRENNER: Committee on the Judiciary. H.R. 972. A bill to authorize appropriations for fiscal years 2006 and 2007 for the Trafficking Victims Protection Act of 2000, and for other purposes; with an amendment (Rept. 109–317 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. POMBO: Committee on Resources. H.R. 1090. A bill to designate a Forest Service trail at Waldo Lake in the Williamette National Forest in the State of Oregon as a national recreation trail in honor of Jim Weaver, a former Member of the House of Representatives; with an amendment (Rept. 109–331). Referred to the Committee of the Whole House on the State of the Union.

Mr. POMBO: Committee on Resources. S. 362. An act to establish a program within the National Oceanic and Atmospheric Administration and the United States Coast Guard to help identify, determine sources of, assess, reduce, and prevent marine debris and its adverse impacts on the marine environment and navigation safety, in coordination with non-Federal entities, and for other purposes; with an amendment (Rept. 109–332 Pt. 1). Ordered to be printed.

Mr. SENSENBRENNER: Committee of Conference. Conference report on H.R. 3199. A bill to extend and modify authorities needed to combat terrorism, and for other purposes (Rept. 109–333). 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. CLAY:

H.R. 4471. A bill to amend the Home Ownership and Equity Protection Act of 1994 and other sections of the Truth in Lending Act, so as to enact the ''Fair and Responsible Lending Act;'' to provide for definitions; to provide for prohibited practices and limitations relating to high-cost home loans; to provide for prohibited practices and limitations relating to home loans; to provide for penalties and remedies and enforcement; to provide for corrections of certain unintentional violations; to provide for coordination with state laws; to provide for related matters; to provide for consumer counseling requirements; to expand housing counseling opportunities; and for other purposes; to the Committee on Financial Services.

By Mr. SENSENBRENNER:

H.R. 4472. A bill to protect children, to secure the safety of judges, prosecutors, law enforcement officers, and their family members, to reduce and prevent gang violence, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GOODLATTE:

H.R. 4473. A bill to reauthorize and amend the Commodity Exchange Act to promote legal certainty, enhance competition, and reduce systemic risk in markets for futures and over-the-counter derivatives, and for other purposes; to the Committee on Agriculture, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BARROW (for himself, Ms. VELÁZQUEZ, Ms. MOORE of Wisconsin, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. DAVIS of Alabama, Mr. CLAY, Mr. SCOTT of Georgia, Mrs. CHRISTENSEN, Mrs. JONES of Ohio, Mr. OWENS, Mr. GRIJALVA, Ms. BORDALLO, Mr. TOWNS, Mr. WYNN, Ms. KILPATRICK of Michigan, Mr. MEEKS of New York, Mr. CONYERS, Ms. MILLENDER-MCDONALD, Mr. CASE, Mr. DAVIS of Illinois, Ms. CORRINE BROWN of Florida, Ms. JACKSON-LEE of Texas, Mr. FORD, Mr. CUMMINGS, Mr. LEWIS of Georgia, Mr. AL GREEN of Texas, Mr. BUTTERFIELD, Mr. UDALL of New Mexico, Ms. LEE, Ms. BEAN, Mr. MICHAUD, Mr. LIPINSKI, Ms. MCKINNEY, and Ms. LINDA T. SÁNCHEZ of California):

H.R. 4474. A bill to enhance the section 8(a) program of the Small Business Act; to the Committee on Small Business.

By Ms. JACKSON-LEE of Texas (for herself, Ms. WATSON, Mr. RUSH, Ms. LEE, Mr. BRADY of Pennsylvania, Mr. HASTINGS of Florida, Ms. KILPATRICK of Michigan, Mr. MCDERMOTT, Mr. CONYERS, Mr. SERRANO, Mrs. MALONEY, Mr. BISHOP of Georgia, Mr. PALLONE, Mr. BROWN of Ohio, Mr. MEEKS of New York, and Mr. CHABOT):

H.R. 4475. A bill to direct the Architect of the Capitol to enter into a contract to revise the statue commemorating women's suffrage located in the rotunda of the United States Capitol to include a likeness of Sojourner Truth; to the Committee on House Administration.

By Ms. DELAURO (for herself, Mrs. LOWEY, and Mr. CASE):

H.R. 4476. A bill to establish a global network for avian influenza surveillance among wild birds nationally and internationally to combat the growing threat of bird flu, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Resources, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGLISH of Pennsylvania:

H.R. 4477. A bill to authorize Federal judges to carry firearms; to the Committee on the Judiciary.

By Mr. FITZPATRICK of Pennsylvania (for himself and Mrs. LOWEY):

H.R. 4478. A bill to amend the Public Health Service Act to extend the program of grants for rape prevention education, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HIGGINS (for himself, Mr. MARKEY, Mr. BISHOP of New York, Ms. DELAURO, Mr. RUSH, and Mr. ISRAEL):

H.R. 4479. A bill to repeal provisions of the Energy Policy Act of 2005, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Resources, Science, Energy and Commerce, Education and the Workforce, and Small Business, 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. TURNER (for himself, Mr. ENGLISH of Pennsylvania, Mr. BOEHNER, Mr. GILLMOR, Mr. TIBERI, Mr. SHAYS, Mr. LATOURETTE, Mr. HOBSON, Mr. NEY, Ms. HART, Mr. REGULA, Ms. PRYCE of Ohio, Mr. GERLACH, Mr. KLINE, Mrs. JONES of Ohio, Mr. OXLEY, and Mrs. JOHNSON of Connecticut):

H.R. 4480. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for the remediation of contaminated sites; to the Committee on Ways and Means.

By Mr. HINCHEY (for himself, Mr. SHAYS, Mr. ENGEL, Mr. GRIJALVA, Mr. HOLT, Ms. MCKINNEY, Mr. THOMPSON of Mississippi, Mr. EVANS, Mr. SANDERS, Mr. MARKEY, Mr. PAYNE, Mr. HASTINGS of Florida, Mr. LEVIN, Mr. MCDERMOTT, Mr. NADLER, Mr. TOWNS, Mr. FARR, Mr. RANGEL, Ms. SCHWARTZ of Pennsylvania, Mr. OWENS, Mrs. MALONEY, Mrs. LOWEY, Ms. CARSON, Ms. WOOLSEY, and Mr. MCNULTY):

H.R. 4481. A bill to amend the Internal Revenue Code of 1986 to extend the financing for Superfund for purposes of cleanup activities with respect to Hurricanes Katrina and Rita, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Transportation and Infrastructure, 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. INGLIS of South Carolina:

H.R. 4482. A bill to extend the temporary suspension of duty on certain manufacturing equipment; to the Committee on Ways and Means.

By Mr. INGLIS of South Carolina:

H.R. 4483. A bill to extend the temporary suspension of duty on certain manufacturing equipment; to the Committee on Ways and Means.

By Mr. INGLIS of South Carolina:

H.R. 4484. A bill to extend the temporary suspension of duty on certain manufacturing equipment; to the Committee on Ways and Means.

By Mr. INGLIS of South Carolina:

H.R. 4485. A bill to extend the temporary suspension of duty on certain manufacturing equipment; to the Committee on Ways and Means.

By Mr. INGLIS of South Carolina:

H.R. 4486. A bill to suspend temporarily the duty on certain integrated machines for manufacturing pneumatic tires; to the Committee on Ways and Means.

By Mr. INGLIS of South Carolina:

H.R. 4487. A bill to extend the temporary suspension of duty on certain manufacturing equipment; to the Committee on Ways and Means.

By Mr. INGLIS of South Carolina:

H.R. 4488. A bill to extend the temporary suspension of duty on certain rolled glass in sheets; to the Committee on Ways and Means.

By Mr. INGLIS of South Carolina:

H.R. 4489. A bill to extend the temporary suspension of duty on certain manufacturing equipment; to the Committee on Ways and Means.

By Mr. JINDAL:

H.R. 4490. A bill to provide higher education relief to individuals and institutions affected by Hurricanes Katrina and Rita, and for other purposes; to the Committee on Education and the Workforce.

By Mr. LARSON of Connecticut (for himself, Mr. KING of New York, Mr. NEAL of Massachusetts, Ms. JACKSON-LEE of Texas, Mr. RUPPERSBERGER, Mr. RANGEL, Mr. WEXLER, Mr. PAYNE, Mr. SCHWARZ of Michigan, Mr. TERRY, Mr. CLEAVER, Mr. SHIMKUS, Mr. SMITH of New Jersey, Mr. ENGLISH of Pennsylvania, and Mr. GORDON):

H.R. 4491. A bill to provide loans and grants for fire sprinkler retrofitting in nursing facilities; to the Committee on Energy and Commerce.

By Mrs. MALONEY (for herself, Ms. WATERS, and Mr. MELANCON):

H.R. 4492. A bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to reauthorize the temporary mortgage and rental payments program; to the Committee on Transportation and Infrastructure.

By Mr. OBERSTAR (for himself, Ms. NORTON, Mr. CUMMINGS, Ms. MILLENDER-MCDONALD, Mr. HIGGINS, Ms. CORRINE BROWN of Florida, Mr. COSTELLO, Ms. BERKLEY, Mr. RAHALL, Mr. BAIRD, Mr. NADLER, Ms. CARSON, Mr. CAPUANO, Mr. DEFAZIO, Mr. HONDA, Mr. LARSEN of Washington, Mr. BLUMENAUER, Mr. SALAZAR, Mr. HOLDEN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WEINER, Mr. BISHOP of New York, Mr. CARNAHAN, Mr. FILNER, Mr. MENENDEZ, Mr. TAYLOR of Mississippi, Mr. BOSWELL, Mr. MATHESON, Ms. SCHWARTZ of Pennsylvania, Mr. CHANDLER, Mr. MICHAUD, and Mr. DAVIS of Tennessee):

H.R. 4493. A bill to reestablish the Federal Emergency Management Agency as a cabinet-level independent establishment in the executive branch that is responsible for the Nation's preparedness and response to disasters, and for other purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Homeland Security, 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. PLATTS (for himself and Mr. MATHESON):

H.R. 4494. A bill to repeal the provision of law that provides automatic pay adjustments for Members of Congress; to the Committee on House Administration, and in addition to the Committee on Government Reform, 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. RENZI (for himself, Mr. SIMPSON, and Mr. OTTER):

H.R. 4495. A bill to direct the Administrator of the Environmental Protection Agency to extend by two years the date by which small public water systems must comply with the maximum contaminant level for arsenic in drinking water; to the Committee on Energy and Commerce.

By Mr. SENSENBRENNER (for himself and Mr. CONYERS):

H.R. 4496. A bill to amend title 28, United States Code, to provide for certain transportation and subsistence in cases where district courts are holding special sessions as a result of emergency conditions; to the Committee on the Judiciary.

By Mr. SESSIONS (for himself, Mr. POE, Mr. SULLIVAN, Mr. TANCREDO, and Mr. HAYWORTH):

H.R. 4497. A bill to establish terms and conditions for delivery bonds in immigration cases, and for other purposes; to the Committee on the Judiciary.

By Mr. STRICKLAND:

H.R. 4498. A bill to amend the Immigration and Nationality Act to authorize a case-by-case waiver of certain naturalization requirements for children of members of the Armed Forces who are adopted outside the United States; to the Committee on the Judiciary.

By Mr. HYDE (for himself and Mr. LANTOS):

H. Con. Res. 312. Concurrent resolution urging the Government of the Russian Federation to withdraw or modify proposed legislation that would have the effect of severely restricting the establishment, operations, and activities of domestic and foreign nongovernmental organizations in the Russian Federation; to the Committee on International Relations.

By Mr. PAYNE (for himself, Mr. SMITH of New Jersey, Mr. CONYERS, Mr. MEEKS of New York, Ms. MCCOLLUM of Minnesota, Ms. WATSON, Mr. TANCREDO, and Ms. LEE):

H. Con. Res. 313. Concurrent resolution commending the people of the Republic of Liberia for holding peaceful national elections in 2005 and congratulating President Ellen Johnson-Sirleaf on her victory and becoming the first female president of any African country; to the Committee on International Relations.

By Mr. SHAYS:

H. Con. Res. 314. Concurrent resolution recognizing the artistic excellence and community value of a national service organization for the performing arts and how this community improves diplomacy through global cultural exchange by the celebration of humanity's transcendent power to imagine and create across geographic, political and cultural borders; to the Committee on International Relations.

By Ms. PELOSI:

H. Res. 591. A resolution raising a question of the privileges of the House.

By Mr. LANGEVIN (for himself, Mr. RAMSTAD, Mr. OWENS, Mr. VAN HOLLEN, Mr. GRIJALVA, and Mr. LANTOS):

H. Res. 592. A resolution commemorating the life, achievements, and contributions of Alan Reich; to the Committee on Education and the Workforce.

By Mr. MARKEY:

H. Res. 593. A resolution directing the Secretary of State, the Secretary of Defense, the Secretary of Homeland Security, and the Attorney General, and requesting the President, to provide certain information to the House of Representatives relating to extraordinary rendition of certain foreign persons; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. BAIRD introduced a bill (H.R. 4499) for the relief of Juanita Jimenez; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 87: Mr. ROTHMAN.
H.R. 227: Mr. SANDERS.
H.R. 282: Mr. EVERETT.
H.R. 389: Mr. PLATTS.
H.R. 445: Mr. PASCRELL and Mr. BARRETT of South Carolina.
H.R. 515: Mr. MILLER of North Carolina.
H.R. 517: Mr. JENKINS, Mr. OSBORNE, Mr. MCCOTTER, Mr. CUELLAR, Mr. ETHERIDGE, Mr. FORD, and Mr. CHANDLER.
H.R. 551: Mr. MCNULTY.
H.R. 557: Mr. RADANOVICH.
H.R. 558: Mr. GENE GREEN of Texas.
H.R. 602: Ms. MOORE of Wisconsin and Ms. EDDIE BERNICE JOHNSON of Texas.
H.R. 615: Mr. BILIRAKIS.
H.R. 752: Ms. HERSETH, Mr. THOMPSON of Mississippi, and Mrs. MALONEY.
H.R. 769: Mr. WALSH.
H.R. 772: Mr. EVANS.
H.R. 872: Mr. BOYD, Mr. LARSEN of Washington, Mr. MCDERMOTT, Mr. SMITH of Washington, and Mr. MICHAUD.
H.R. 874: Ms. HARRIS.
H.R. 884: Ms. LEE.
H.R. 896: Mrs. KELLY.
H.R. 916: Ms. MCKINNEY.
H.R. 930: Ms. CARSON.
H.R. 964: Mr. FRANK of Massachusetts and Mr. BERRY.
H.R. 972: Mr. STARK.
H.R. 997: Mr. WALDEN of Oregon.
H.R. 1059: Mr. MICHAUD.
H.R. 1124: Mr. ABERCROMBIE.
H.R. 1131: Mr. ALEXANDER, Mr. BISHOP of Georgia, Mr. THOMPSON of Mississippi, and Mr. HONDA.
H.R. 1141: Mr. BAKER.
H.R. 1290: Mr. HONDA.
H.R. 1306: Mr. BECERRA, Mr. JEFFERSON, and Mr. POMBO.
H.R. 1333: Mr. MICHAUD, Mr. SMITH of Washington, Mr. THOMPSON of Mississippi, and Ms. LORETTA SANCHEZ of California.
H.R. 1348: Ms. MCKINNEY.
H.R. 1366: Mr. CASE.
H.R. 1380: Mr. DENT and Mr. HINOJOSA.
H.R. 1402: Mr. LATOURETTE.
H.R. 1405: Mr. ABERCROMBIE.
H.R. 1424: Mr. NEAL of Massachusetts.

H.R. 1426: Mr. WYNN.
H.R. 1456: Mr. CONYERS.
H.R. 1594: Ms. LORETTA SANCHEZ of California.
H.R. 1634: Mr. MACK and Mr. PLATTS.
H.R. 1646: Ms. JACKSON-LEE of Texas, Mr. LANTOS, and Mr. CASE.
H.R. 1665: Mr. STARK.
H.R. 1669: Mr. BOOZMAN.
H.R. 1704: Mr. ROGERS of Michigan and Mr. TURNER.
H.R. 1951: Ms. WOOLSEY and Mr. LEACH.
H.R. 2134: Mr. EVANS and Mr. KUCINICH.
H.R. 2206: Mr. SCOTT of Georgia, Mr. CONAWAY, Mr. JENKINS, and Mr. ENGEL.
H.R. 2378: Mr. MCHUGH.
H.R. 2521: Mr. HIGGINS.
H.R. 2554: Mr. THOMPSON of Mississippi, Mr. BUTTERFIELD, Mr. DAVIS of Illinois, Mr. FATTAH, Ms. LEE, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. KAPTUR, Mr. MCGOVERN, Ms. MOORE of Wisconsin, Mr. RANGEL, Mr. RUSH, Mr. TOWNS, Mr. CAPUANO, Ms. CARSON, Mrs. CHRISSTENSEN, Mr. CONYERS, Mr. CUMMINGS, Mr. AL GREEN of Texas, Mr. LEWIS of Georgia, Mr. MCDERMOTT, Mr. OLVER, Mr. PASTOR, Mr. PAYNE, Ms. SOLIS, and Mr. STARK.
H.R. 2592: Mr. FRANK of Massachusetts.
H.R. 2629: Mr. LEACH and Ms. MCKINNEY.
H.R. 2646: Mr. BLUMENAUER.
H.R. 2669: Mr. LANTOS, Ms. KAPTUR, and Mr. LARSON of Connecticut.
H.R. 2695: Mr. DAVIS of Illinois.
H.R. 2872: Mr. WELDON of Pennsylvania, Mr. SHERWOOD, Mr. PEARCE, Mr. LUCAS, Mr. COLE of Oklahoma, Mr. GARY G. MILLER of California, Mr. RANGEL, Ms. MCKINNEY, and Mr. MCGOVERN.
H.R. 2928: Ms. SCHWARTZ of Pennsylvania.
H.R. 2961: Mr. TAYLOR of Mississippi and Mr. HINCHEY.
H.R. 3046: MR. FATTAH, Mr. SIMMONS, Mr. LEACH, and Mr. PRICE of North Carolina.
H.R. 3072: Ms. JACKSON-LEE of Texas and Mr. THOMPSON of Mississippi.
H.R. 3095: Mr. DEAL of Georgia and Mr. POE.
H.R. 3127: Mr. HIGGINS, Mr. LARSON of Connecticut, and Mr. NEAL of Massachusetts.
H.R. 3142: Mr. GRIJALVA.
H.R. 3248: Mr. ROTHMAN, Mr. BAIRD, and Mr. NADLER.
H.R. 3254: Mr. ROTHMAN.
H.R. 3307: Mr. ORTIZ and Mr. LINCOLN DIAZ-BALART of Florida.
H.R. 3319: Mr. ENGLISH of Pennsylvania.
H.R. 3334: Mr. HAYWORTH, Mr. EVANS, Mr. FARR, and Ms. MOORE of Wisconsin.
H.R. 3372: Mr. BERMAN.
H.R. 3373: Ms. GRANGER, Mr. SANDERS, and Mr. KELLER.
H.R. 3406: Ms. MCCOLLUM of Minnesota.
H.R. 3476: Mr. VAN HOLLEN.
H.R. 3616: Mr. CAPUANO, Mr. CUMMINGS, Mr. FITZPATRICK of Pennsylvania, Mr. SCOTT of Georgia, Mr. GILLMOR, Mr. SCHIFF, Mr. NEAL of Massachusetts, Mr. BARROW, Mr. PAYNE, and Mr. CARNAHAN.
H.R. 3628: Mr. MCNULTY.
H.R. 3640: Mr. RANGEL.
H.R. 3641: Mr. SANDERS.
H.R. 3642: Mr. CLEAVER and Mr. RANGEL.
H.R. 3731: Mr. GRIJALVA.
H.R. 3748: Ms. WASSERMAN SCHULTZ.
H.R. 3795: Mr. PAYNE and Mr. MCCOTTER.
H.R. 3861: Mr. BLUMENAUER, Mr. THOMPSON of California, Ms. HARMAN, Mr. CARDOZA, Mr. KIND, and Mr. GENE GREEN of Texas.
H.R. 3883: Mr. BERRY, Mr. CRENSHAW, Mr. CARTER, and Mr. MCINTYRE.
H.R. 3911: Mr. CUELLAR.
H.R. 3954: Mr. DOGGETT and Mr. OBERSTAR.
H.R. 3957: Mr. DAVIS of Illinois and Mr. RAMSTAD.
H.R. 3985: Mr. FRANK of Massachusetts, Mr. UDALL of New Mexico, Mr. BISHOP of New York, Ms. MOORE of Wisconsin, and Ms. WOOLSEY.
H.R. 4019: Mr. FEENEY.
H.R. 4028: Mr. NORWOOD.
H.R. 4033: Mrs. MALONEY.
H.R. 4049: Mrs. BONO, Mr. ISSA, Ms. WOOLSEY, Mr. CALVERT, and Mr. ROHRABACHER.
H.R. 4078: Mr. EVERETT, Mrs. DRAKE, and Mr. SOUDER.
H.R. 4100: Mr. JEFFERSON, Mr. MCCRERY, Mr. ALEXANDER, Mr. BOUSTANY, Mr. MELANCON, and Mr. JINDAL.
H.R. 4123: Mr. RUPPERSBERGER.
H.R. 4139: Mr. HINCHEY, Mr. OWENS, Mr. DAVIS of Illinois, and Mr. TOWNS.
H.R. 4167: Mr. PETERSON of Pennsylvania, Mr. INGLIS of South Carolina, Mr. MILLER of Florida, Mr. GUTKNECHT, Mr. TANCREDO, Mr. SALAZAR, Mr. MACK, Mr. HOBSON, Ms. HARRIS, Mr. KELLER, Mr. SHAYS, Mr. BOOZMAN, Mr. MELANCON, Mr. TAYLOR of Mississippi, Mr. LIPINSKI, Mr. CLAY, and Mrs. JONES of Ohio.
H.R. 4173: Mr. OWENS and Mr. GRIJALVA.
H.R. 4194: Mr. STARK, Mr. DOGGETT, and Mr. NADLER.
H.R. 4196: Mr. GRIJALVA and Mr. MCDERMOTT.
H.R. 4200: Mr. KUHL of New York.
H.R. 4212: Ms. MCKINNEY.
H.R. 4223: Mr. MILLER of North Carolina.
H.R. 4225: Mr. BACA and Ms. SOLIS.
H.R. 4228: Mr. REICHERT.
H.R. 4231: Mr. DAVIS of Illinois.
H.R. 4233: Mr. FILNER, Mr. FATTAH, and Ms. MCKINNEY.
H.R. 4259: Ms. WOOLSEY.
H.R. 4294: Mr. GREEN of Wisconsin.
H.R. 4300: Mr. WAMP.
H.R. 4313: Mr. GORDON, Mrs. MUSGRAVE, Mr. PRICE of Georgia, and Mr. BOOZMAN.
H.R. 4315: MR. KING of Iowa, Mr. SOUDER, Mr. GINGREY, Mr. LINCOLN DIAZ-BALART of Florida, Mr. LIPINSKI, Mr. SHIMKUS, Mr. PLATTS, Mr. PUTNAM, Mr. CASE, and Mr. FORTENBERRY.
H.R. 4317: Mr. ALEXANDER and Mr. JONES of North Carolina.
H.R. 4321: Mr. MILLER of Florida.
H.R. 4330: Mr. BILIRAKIS.
H.R. 4334: Mr. YOUNG of Florida.
H.R. 4341: Mr. BERRY, Mr. KINGSTON, and Mr. SHERWOOD.
H.R. 4350: Mr. GRIJALVA, Mr. HINCHEY, and Ms. JACKSON-LEE of Texas.
H.R. 4351: Mr. STUPAK and Mr. GRIJALVA.
H.R. 4357: Mr. MCHUGH.
H.R. 4370: Mr. HIGGINS.
H.R. 4372: Mr. THOMPSON of Mississippi and Mr. GRIJALVA.
H.R. 4384: Mr. UDALL of New Mexico.
H.R. 4391: Mr. ALEXANDER.
H.R. 4392: Mr. SANDERS, Mr. BROWN of Ohio, and Mr. GRIJALVA.
H.R. 4411: Mr. SHADEGG, Mr. KENNEDY of Minnesota, Mr. FRANKS of Arizona, Mr. TERRY, and Ms. HOOLEY.
H.R. 4412: Mr. MILLER of Florida.
H.R. 4424: Mr. MCNULTY and Mr. PAYNE.
H.R. 4434: Ms. SCHAKOWSKY, Mr. GRIJALVA, and Ms. JACKSON-LEE of Texas.
H.R. 4435: Ms. SCHAKOWSKY and Mr. GRIJALVA.
H.R. 4437: Mr. PETERSON of Minnesota, Mr. GOODLATTE, Mr. ALEXANDER, and Mr. FEENEY.
H.R. 4447: Mr. MCDERMOTT.
H.R. 4452: Mr. SHAYS, Mr. MCNULTY, Mr. BURTON of Indiana, Ms. WATERS, Mr. DICKS, and Mrs. MALONEY.
H.J. Res. 3: Mr. CARDOZA and Mr. SOUDER.
H.J. Res. 60: Mr. TAYLOR of North Carolina.
H.J. Res. 73: Ms. PELOSI, Ms. KILPATRICK of Michigan, Mr. WU, Mr. DELAHUNT, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. OLVER, Ms. KAPTUR, Mr. PASTOR, Mr. MOLLOHAN, Mr. RAHALL, Mr. RYAN of Ohio, Mr. MICHAUD, Ms. BALDWIN, Mr. JACKSON of Illinois, and Ms. LORETTA SANCHEZ of California.
H. Con. Res. 88: Mr. FRANK of Massachusetts, Mr. CLAY, Mr. GERLACH, and Mr. MCNULTY.
H. Con. Res. 90: Mr. EHLERS.
H. Con. Res. 123: Mr. PAYNE.
H. Con. Res. 158: Mr. STARK.
H. Con. Res. 231: Mr. MICHAUD.
H. Con. Res. 271: Ms. LEE, Mr. VAN HOLLEN, Mr. DAVIS of Alabama, Mr. SERRANO, Mr. NADLER, Mr. BERMAN, Mr. COOPER, Ms. SOLIS, Mr. GRIJALVA, Mr. CUMMINGS, Mr. KUCINICH, Ms. KAPTUR, and Ms. MCKINNEY.
H. Con. Res. 272: Mrs. DRAKE, Mr. PRICE of North Carolina, Mr. CONYERS, and Mr. EVANS.
H. Con. Res. 278: Mr. STARK and Ms. ZOE LOFGREN of California.
H. Con. Res. 282: Mr. OWENS, Mr. CONYERS, and Mr. GRIJALVA.
H. Con. Res. 287: Mr. GEORGE MILLER of California, Mr. MCDERMOTT, and Ms. DELAURO.
H. Con. Res. 302: Mr. SODREL and Mr. RYUN of Kansas.
H. Res. 357: Ms. CORRINE BROWN of Florida.
H. Res. 411: Mr. MCNULTY and Mr. GARY G. MILLER of California.
H. Res. 414: Mr. ANDREWS.
H. Res. 477: Ms. WATSON and Ms. CARSON.
H. Res. 489: Mr. PASTOR.
H. Res. 504: Mr. CONAWAY and Mr. BAKER.
H. Res. 517: Mr. HIGGINS and Mr. WEXLER.
H. Res. 521: Ms. WATSON, Mr. MCGOVERN, and Mr. MENENDEZ.
H. Res. 526: Mr. SMITH of Washington.
H. Res. 529: Mr. BILIRAKIS.
H. Res. 545: Mr. MCCOTTER, Mr. BONNER, Mr. SCHIFF, Ms. HARRIS, Mr. ROHRABACHER, Mr. WICKER, Mr. WOLF, Mr. CROWLEY, Mr. CHABOT, Mr. PENCE, Mr. BACHUS, Mr. TANCREDO, Mr. SMITH of New Jersey, Mrs. JO ANN DAVIS of Virginia, Mr. CARDOZA, Mr. ADERHOLT, Mr. DAVIS of Alabama, and Mr. BURTON of Indiana.
H. Res. 548: Mr. PAYNE, Mr. BERMAN, Mr. ROYCE, and Mr. MENENDEZ.
H. Res. 561: Mr. SIMMONS and Mr. WOLF.
H. Res. 573: Mr. HOLT, Mr. HASTINGS of Florida, Mr. MCDERMOTT, and Ms. JACKSON-LEE of Texas.
H. Res. 574: Ms. ROYBAL-ALLARD, Mr. NORWOOD, Mr. UDALL of Colorado, Mr. BERMAN, Ms. SOLIS, and Mr. HONDA.
H. Res. 575: Mr. HIGGINS, Mr. BOSWELL, Ms. HART, Mr. CHOCOLA, Mrs. KELLY, Mr. ENGEL, Mrs. DRAKE, Mrs. LOWEY, Mr. SOUDER, Mr. FRELINGHUYSEN, Mr. BASS, Mr. LOBIONDO, Mr. TERRY, Mr. CUELLAR, Mr. TIAHRT, Mr. MARCHANT, Mrs. JO ANN DAVIS of Virginia, Mr. STRICKLAND, Mr. RANGEL, Mr. HOLDEN, Mr. CARDIN, Mr. AL GREEN of Texas, Mr. WICKER, Mr. MELANCON, Mr. BONILLA, Mr. COLE of Oklahoma, Mr. SESSIONS, Mr. FOLEY, Mr. DOOLITTLE, Mr. PORTER, Mr. ISRAEL, Mr. BISHOP of Georgia, Mr. SIMMONS, Mr. SAM JOHNSON of Texas, Mr. GENE GREEN of Texas, Mr. FORBES, Mr. KLINE, Mr. BISHOP of New York; Mr. NUNES, Mr. FLAKE, Mr. STUPAK, Mr. ACKERMAN, Mr. SHERWOOD, Mr. BOYD, and Mr. HOLT.
H. Res. 578: Mr. WALSH.
H. Res. 590: Mr. BOEHNER, Mrs. TAUSCHER, Mrs. DAVIS of California, Mr. HOBSON, Mr. BUTTERFIELD, Mr. PALLONE, and Mr. SCHWARZ of Michigan.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3875: Mr. WEXLER.

H.R. 4099: Mr. BISHOP of Georgia.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petition was filed:

Petition 4, December 6, 2005, by Ms. SLAUGHTER on House Resolution 460, was signed by the following Members: Louis M. Slaughter, Neil Abercrombie, Alcee L. Hastings, Barbara Lee, Lynn C. Woolsey, Michael R. McNulty, James P. Moran, George Miller, Leonard L. Boswell, Raul M. Grijalva, Danny K. Davis, Steny H. Hoyer, James R. Langevin, Lois Capps, Tammy Baldwin, James P. McGovern, Patrick J. Kennedy, Cynthia McKinney, Hilda L. Solis, Loretta Sanchez, Doris O. Matsui, Carolyn McCarthy, Michael M. Honda, Zoe Lofgren, Stephen F. Lynch, John W. Olver, Jesse L, Jackson, Jr., Kendrick B. Meek, Timothy H. Bishop, Stephanie Herseth, Marcy Kaptur, John B. Larson, Michael F. Doyle, Joseph Crowley, Sheila Jackson-Lee, Bill Pascrell, Jr., C. A. Dutch Ruppersberger, Nancy Pelosi, Thomas H. Allen, Carolyn B. Maloney, Susan A. Davis, Tom Udall, Charles A. Gonzalez, Rick Larsen, Sanford D. Bishop, Jr., Corrine Brown, Al Green, Gene Green, Sam Farr, Dennis Moore, Tom Lantos, Brian Higgins, Ruben Hinojosa, Earl Blumenauer, Tim Ryan, Charles B. Rangel, Nydia M. Velázquez, Lloyd Doggett, Sander M. Levin, Grace F. Napolitano, John Lewis, Frank Pallone, Jr., Eddie Bernice Johnson, Diane E. Watson, Edolphus Towns, Debbie Wasserman Schultz, Rush D. Holt, Gregory W. Meeks, Dale E. Kildee, Donald M. Payne, Major R. Owens, Chaka Fattah, and Mark Udall.

Petition 5, December 6, 2005, by Mr. WAXMAN on House Resolution 537, was signed by the following Members: Henry A. Waxman, Neil Abercrombie, Alcee L. Hastings, Barbara Lee, Lynn C. Woolsey, Michael R. McNulty, James P. Moran, Leonard L. Boswell, Raul M. Grijalva, Danny K. Davis, Steny H. Hoyer, James R. Langevin, Lois Capps, Tammy Baldwin, James P. McGovern, Patrick J. Kennedy, Cynthia McKinney, Hilda L. Solis, Loretta Sanchez, Doris O. Matsui, Carolyn McCarthy, Zoe Lofgren, Stephen F. Lynch, John W. Olver, Jesse L. Jackson, Jr., Kendrick B. Meek, Timothy H. Bishop, Louise McIntosh Slaughter, Stephanie Herseth, Vic Snyder, Marcy Kaptur, John B. Larson, Michael F. Doyle, Joseph Crowley, Sheila Jackson-Lee, Bill Pascrell, Jr., C. A. Dutch Ruppersberger, Nancy Pelosi, Barney Frank, Carolyn B. Maloney, Thomas H. Allen, Susan A. Davis, Tom Udall, Charles A. Gonzalez, Rick Larsen, Sanford D. Bishop, Jr., Al Green, Corrine Brown, Gene Green, Sam Farr, Tom Lantos, Dennis Moore, Brian Higgins, Earl Blumenauer, Charles B. Rangel, Tim Ryan, Nydia M. Velázquez, Lloyd Doggett, Sander M. Levin, Frank Pallone, Jr., Grace F. Napolitano, John Lewis, Eddie Bernice Johnson, Diane E. Watson, Edolphus Towns, Debbie Wasserman Schultz, Rush D. Holt, Gregory W. Meeks, Dale E. Kildee, Donald M. Payne, Major R. Owens, and Chaka Fattah.

Petition 6, December 6, 2005, by Mr. ABERCROMBIE on House Resolution 537, was signed by the following Member: Neil Abercrombie, Henry A. Waxman, William D. Delahunt, Martin T. Meehan, James P. McGovern, John Conyers, Jr., Alcee L. Hastings, Lynn C. Woolsey, Barbara Lee, Dennis J. Kucinich, Michael R. McNulty, James P. Moran, George Miller, Nancy Pelosi, Leonard L. Boswell, Raul M. Grijalva, Danny K. Davis, Lois Capps, Tammy Baldwin, Patrick J. Kennedy, Cynthia McKinney, Hilda L. Solis, John W. Olver, Jesse L. Jackson, Jr., Kendrick B. Meek, Gwen Moore, Michael F. Doyle, Joseph Crowley, Sheila Jackson-Lee, Barney Frank, Carolyn B. Maloney, Sam Farr, Earl Blumenauer, Tim Ryan, Charles B. Rangel, Lloyd Doggett, Nydia M. Velázquez, Grace F. Napolitano, John Lewis, Diane E. Watson, Edolphus Towns, Gregory W. Meeks, Donald M. Payne, and Major R. Owens.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 1 by Ms. HOOLEY on House Resolution 267: Edolphus Towns.

Petition 3 by Mr. EDWARDS on House Resolution 271: Neil Abercrombie, Tammy Baldwin, Michael M. Honda, Jay Inslee, Jim Marshall, Vic Snyder, Marcy Kaptur, Dennis J. Kucinich, John B. Larson, Michael F. Doyle, Bill Pascrell, Jr., Sam Farr, Earl Blumenauer, John Lewis, and Brian Baird.